

# INTERNATIONAL Herald Tribune

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## Why Africa Is Losing World Economic Race

### Collapse of Ivory Coast's Grand Dream Traced to Years of Bankrupt Policies

By Steve Coll  
Washington Post Service

YAMOUSSOUKRO, Ivory Coast  
In this jungle-enclosed city, birthplace of the former president, Félix Houphouët-Boigny, stand the monuments to his grandiose ambitions, both for himself and for Africa's economic future.

In the 1960s and 1970s, under his firm hand and lifted by French investment and expanding cash crops, Ivorians' personal incomes soared.

In Yamoussoukro, the newly declared, underpopulated inland capital, no expense was spared on avenues wide enough for jumbo jets, three universities, the world's largest Roman Catholic basilica (a replica — but on a far grander scale — of St. Peter's Basilica in Vatican City) and a presidential family palace guarded by crocodiles and stone walls more than a mile around.

Yamoussoukro was "the ultramodern prefiguration of the Africa of tomorrow," exhorted a hotel brochure from the early 1980s.

But long before Mr. Houphouët-Boigny's death last December, the dream had begun to sour. Since 1980, personal incomes in Ivory Coast have shrunk by a staggering 50 percent. Debt has soared to about \$18 billion, leaving the country with one of the highest rates of per capita debt in the world.

And Yamoussoukro's extravagance,

far from the crowning symbol of Mr. Houphouët-Boigny's miracle, today looks to have been "a terrible economic step," said Joseph Yao, director of the Ivorian Center for Economic and Social Research.

"One of the basics of economics is that you create before you distribute," he added. "In Africa, we started distributing and figured we would create later."

Across sub-Saharan Africa, more than two dozen countries and tens of millions of impoverished people are paying the price for years of misdirected investment, unbalanced development, squandered savings, government mismanagement and corruption, ineffective foreign-aid programs, falling commodity prices and the brutal imperatives of a global economy that is leaving Africa behind while it races toward the next century.

To many African economists, politicians and businessmen, the decline is especially galling because it has occurred while other areas of the developing world have expanded economically, in some cases rapidly.

To an overwhelming majority of Western economists at lending institutions such as the World Bank, and to increasing numbers of their African counterparts, the cause of this disparity boils

See IVORY COAST, Page 4



A LIFT FROM AMERICA — Tipper Gore, wife of the U.S. vice president, holding a Rwandan orphan Sunday at a refugee camp near Goma, Zaire. Meanwhile, the relief organizations find themselves faced with a dilemma. Page 4.

## Bosnian Serb Chief Stiffens Stance Against Milosevic

### Ready for State of War, Karadzic Says

By John Pomfret  
Washington Post Service

PALE, Bosnia-Herzegovina — Radovan Karadzic, the Bosnian Serbian leader responding to Yugoslavia's closing of its border and a NATO air strike, has ordered the establishment of a compulsory wartime work force...

"Our enemies are encouraged," Mr. Karadzic told Bosnian Serbian television Saturday night. "Now Muslims and Croats are launching offensives, and NATO is making it easier for them to attack."

He stressed that he was "ready to proclaim a state of war throughout the Bosnian Serbs' self-declared republic, with rationing and a full mobilization."

"We have to turn toward ourselves in the future," he said.

Mr. Karadzic's move is partly rooted in

the Bosnian Serbian leadership's decision to defy pressure from President Slobodan Milošević of Serbia and the West to sign a peace plan that Mr. Karadzic has called "catastrophically bad."

The plan, sponsored by the United States, Russia, Britain, France and Germany, would give 51 percent of Bosnia to a federation of Muslims and Croats. The Serbs would have to surrender about one-third of their holdings (more than 70 percent of the country). The five powers' plan also denies the Serbs international recognition for their breakaway state, a key condition for their signature on any peace plan.

The Serbs' rejection of the plan has prompted the United Nations Security Council to consider ways to tighten the two-year-old economic sanctions against the Serb-dominated Yugoslavia, the main patron of the Bosnian Serbs.

This in turn has caused Mr. Milošević, the architect of the Serbian nationalist struggle and principal sponsor of the Bosnian Serbs' rebellion, to shut Yugoslavia's border with their breakaway republic, implying that it would deny them further military aid. Mr. Milošević wants Bosnia's 28-month war ended so the sanctions will be lifted and his government secure.

Sniping in the Bosnian capital, Sarajevo, diminished as UN peacekeepers expanded patrols, and combat elsewhere in Bosnia eased Sunday. The Associated Press reported from Sarajevo. Russian peacekeepers were patrolling the Serb-held Grbavica area of Sarajevo, where most of

See BOSNIA, Page 5

## Kiosk

### Algerian Leader In Plea to Foes

TUNIS (Reuters) — Prime Minister Mokdad Sifi of Algeria invited his government's Islamist foes on Sunday to help restore democracy to their country by ending political violence and helping organize new elections.

Mr. Sifi's remarks, broadcast by Algerian radio from a speech to Algerian lawmakers, followed an upsurge in attacks, particularly on foreign nationals.

In Paris, police carried out extensive identity checks Sunday after fundamentalists threatened reprisals if France failed to free 17 suspected Muslim militants. (Page 5.)

### Up and Coming

William George O'Chee is Australia's youngest senator, and he has other distinct qualities, like Chinese and Irish ancestors, that seem to make him a man highly suited to help promote the country's future role in Asia. Page 2.

**General News**  
In Lagos, no compromise seems likely on the presidency issue. Page 4. A defector asserted that Saudi Arabia tried to buy nuclear reactors. Page 5.

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### Newstand Prices

Andorra ..... 9.00 FF Luxembourg 60 L. Fr.  
Antilles ..... 11.20 FF Morocco ..... 12 Dhs  
Cameroun ..... 1,400 CFA Qatar ..... 8.00 Rials  
Egypt ..... E.P. 5,000 Réunion ..... 11.20 FF  
France ..... 9.00 FF Saudi Arabia ..... 9.00 R.  
Gabon ..... 960 CFA Senegal ..... 960 CFA  
Greece ..... 300 Dr. Spain ..... 200 PTAS  
Italy ..... 2,600 Lire Tunisia ..... 1,000 Din.  
Ivory Coast ..... 1,120 CFA Turkey ..... T.L. 35,000  
Jordan ..... JD U.S. ..... 18.50 Dm.  
Lebanon ..... US\$1.50 U.S. Mil. (Eur.) \$1.10

## U.S. and Castro Spar Over Threat of Refugee Exodus

Compiled by Our Staff From Dispatches

WASHINGTON — The Clinton administration said Sunday that President Fidel Castro of Cuba had apparently backed off his threat to flood the United States with refugees.

But an administration official said the White House was working on contingency plans to prevent a replay of the chaotic Mariel boatlift of 1980.

Mr. Castro blamed the United States on Friday for encouraging unrest in Cuba, and threatened to allow free emigration,

raising the specter of the 1980 crisis that dumped 125,000 refugees, including many criminals and mental patients, on the shores of southern Florida.

The Cuban newspaper *Juventud Rebelde* said Sunday that 35 people, including 10 police officers, had been injured in clashes in Havana on Friday. The newspaper

said that "important groups" of those involved were in detention.

The White House chief of staff, Leon E. Panetta, sought Sunday to play down the political unrest and vowed that the administration would prevent another Mariel-like influx.

"We've made very clear to Castro that he cannot dictate our immigration policy, and we will not accept the threats that he's made with regards to trying to re-create

what happened in the Mariel escape," Mr. Panetta said in a broadcast interview.

Asked how the United States would respond to an exodus and whether Cubans would be turned back, Mr. Panetta said, "I don't think we have to face that right now because, frankly, things are calming down."

"Castro has backed off of his threat," he said. "We do think that the situation —

See CUBA, Page 5

## Taiwan and China Reach Accord on Return of Hijackers

Compiled by Our Staff From Dispatches

TAIPEI — In what was described as a "major breakthrough," negotiators for Taiwan and China ended eight days of talks on Sunday with an agreement to repatriate hijackers and illegal immigrants.

The accord came in the sixth round of talks in a laborious process of detente between the two rival governments. Leaders of the two delegations said both sides had resolved differences that had blocked agreement on the repatriation issue, as well as on fishing disputes.

Previous rounds of talks on these issues had foundered on differences over sover-

eignty and jurisdiction. China has refused to acknowledge the jurisdiction of Taiwan's courts.

The breakthrough came when China conceded Taiwan's demand that it had the right to exclude some hijackers from repatriation if it determined they had valid political or religious motives. China had said that Taiwan did not have the legal authority to make such a decision.

"You can say there has been a major breakthrough," said Chiao Jen-ho, secretary general of Taiwan's quasi-official Exchange Foundation, which handles links with Beijing in the absence of official ties.

"What is important is that we have reached consensus, whether we sign sooner or later is not important," Mr. Chiao said at a joint news conference after four days of talks with Tang Shih-wei, secretary-general of China's Association for Relations Across the Taiwan Straits.

Both Mr. Tang and Mr. Chiao said they did not know when a final agreement on the issue would be signed, because they have to wait for approval from their governments.

The talks between the private representatives of the two governments were pre-

ceded by four days of technical-level meetings.

On the repatriation of illegal immigrants, the two sides agreed that China must arrange to take them back within 20 days. If China failed to respond, Taiwan would summarily ship the offenders back to a Chinese port.

Other issues, including economic questions that have emerged with the flood of Taiwanese trade and investment into China since rapprochement began in the late 1980s, were put off for more detailed discussions in a later round. (Reuters, AP)

## Spain's Draft Objectors Now Have Less to Object To

By Alan Riding  
New York Times Service

MADRID — Alarmed that nearly half of all young men in Spain who are eligible for the draft claim to be conscientious objectors, the government has come up with a policy aimed at making obligatory military service seem less like, well, obligatory military service.

Under the policy, draftees will work only Monday through Friday for a total of 37.5 hours per week, and if they live within 65 kilometers (40 miles) of their barracks, they can sleep at home. If they are in uniform but off duty, they need no longer salute officers.

If they feel they have been abused,

they can circumvent military authorities and complain directly to Spain's ombudsman, the so-called defender of the people.

For Spain's top brass, these are hardly changes designed to create a tough citizen's army. But if trends continue, they also know, they may soon be without soldiers.

This year, 90,000 young men, almost half of those eligible for the draft, are expected to register as conscientious objectors. In 1986, only 6,407 registered. The Defense Ministry would prefer simply to clamp down on those claiming moral reasons to avoid military service, but it cannot. During the Franco dictatorship, conscientious objectors were

thrown in jail. Today, their rights are protected under Spain's 1978 Constitution.

An alternative is to improve the image of the draft, but this is also not easy. In recent years, wide publicity has been given to draftees who have been victims of abuse and cruelty. Many desert or go absent without leave, and last year 13 draftees committed suicide.

But it is only since 1990 that conscientious objection to military service has caught on. Those who make the claim are supposed to carry out 13 months of alternative social service, compared with 9 months of military service for those drafted. But in practice, because the mechanism for assigning them to hospi-

tals or schools is inefficient, most avoid any service.

In Western Europe, only Germany has a comparable rate of conscientious objection, but there the system has been institutionalized to the point that young men are virtually free to choose between 12 months of military service and 15 months of social service.

In Spain, the government has begun a program to ensure that community service positions are found for those claiming to be conscientious objectors. It believes that although a backlog of 130,000 young men is waiting to be placed, fewer will avoid the draft if they know they will still be called up — and for 13 instead of 9 months.

## Invasion by U.S. Inevitable, Says Haitian General

By John M. Goshko  
Washington Post Service

WASHINGTON — Haiti's military leader, Lieutenant General Raoul Cedras, has declared that a U.S.-led invasion of his country is inevitable and that President Bill Clinton will be responsible for the resulting bloodshed on both sides.

"I don't think that any arrangement can be made to avoid an invasion of Haiti," he said in a television interview Saturday from the Haitian capital, Port-au-Prince. "They have decided to invade, and we are awaiting the moment. We are getting ready. As soldiers, we have sworn to defend our country."

He added: "It will be up to the Clinton administration to undertake the responsibility for each death caused by that invasion. We leave them to confront their consciences."

William H. Gray 3d, Mr. Clinton's special adviser for Haiti, agreed in a separate television interview that an invasion did seem inevitable if General Cedras and other leaders of the Haitian armed forces refused to surrender power. "We are on a collision course if they continue to refuse," he said.

However, Mr. Gray did not set a deadline for when the United States and its allies might seek military intervention.

"I don't think it is the correct approach

See HAITI, Page 5

## Australia's 'Boy Senator' May Be Bridge to Future With Asia

By Michael Richardson  
*International Herald Tribune*

CANBERRA — When William George O'Chee arrived in Parliament for the first time to take his seat, a guard spotted the fresh-faced young man with a schoolboy haircut striding to the entrance of the Senate and shouted: "Oy, you! The tourist entrance is over there!"

A press photographer intervened to confirm that Mr. O'Chee was indeed a senator.

That was in 1990, after Mr. O'Chee, then 24, had made political

have tried skeleton racing, it gets into your blood. When you stand at the top of one of the bobsled runs in Europe and look down, you really learn about strength, courage and what makes you tick."

At Oxford, Mr. O'Chee "coxied" the university lightweight crew and he still rows in Brisbane whenever he can. It helps him keep fit and strong for bobsledding, he said.

Mr. O'Chee's scholastic distinction and his success in sports and politics reflect a growing prominence of Asian immigrants in education, business and professions.

The numbers of Asians in Australia have grown rapidly in recent years. There are now about 800,000 in a population of nearly 18 million. In 1948, there were only 8,000 in a population of 8 million.

The government acted in 1966 to end a longstanding White Australia Policy, which favored immigration from Europe. In the last few years, Asians have been the largest single group of immigrants, accounting for example, for 43 percent of the 68,000 settlers in the financial year to June 1993.

Mr. O'Chee, 29 and unmarried, hopes that his presence in Parliament will encourage other Asian Australians to enter federal politics and move into the top echelons of the bureaucracy and into senior management positions of the private sector.

"But they have to get in on their own ability," he said. "I do not believe in quotas. Australia must develop on the basis of being one country, where everybody is equal and there is no discrimination against or in favor of any group."

Some officials and businessmen in the region believe that opportunity for ethnic Asians to rise to top positions will be the key to the campaign by Prime Minister Paul Keating's Labor government for closer ties with Asia in trade, investment and other relations.

Lee Kuan Yew, the senior minister of Singapore, predicted in Sydney earlier this year that "some more O'Chees" would emerge in Australia.

Thoughtful Asians, he said, "believe that it will be a better Asia, less xenophobic, less racist, more broad-minded and cosmopolitan when Australians and New Zealanders become part of the success story of East Asia."

Mr. Lee said that this process would be slower if the immigrating Asians were employed only as specialists, technocrats or backroom staff. It will be faster, he added, "if they are part of the political, social, cultural, education, media and corporate establishment."

When Australia, New Zealand and Canada became more like the United States, he said, an Asia-Pacific community would develop naturally.

Mr. O'Chee's grandfather, a well-to-do landowner in China, arrived in Australia in the late 1930's to escape Japanese military occupation and civil war between the Communists and the Nationalists.

When he tried to explain in halting English that his name was Lau Au Gee, the dockside immigration official impatiently wrote his first name as Lau and his family name as O'Chee.

This version has remained the family name.

Bill O'Chee's father built up a transport, trading and retailing business based in Glen Innes, a town in the northern part of the state of New South Wales. The father moved to Brisbane, in Queensland, in the 1950's and married Terese O'Brien, an Irish Australian.

When Bill O'Chee entered primary school in Brisbane, he was the only Eurasian among 300 students. It was, he recalled, "a little bit difficult."

While Mr. O'Chee is proud of both his Chinese and Irish roots, he insists that he is "Australian first and foremost."

Despite his youth, political ana-



Colin Townsend/Reuters  
William George O'Chee, 29, an Australian with links to Asians.

lysts see Mr. O'Chee as a contender for a ministerial position in any ruling coalition.

"If drive, talent and ambition mean anything, he certainly should be considered," said Peter Harvey, news director in Canberra for National Nine Network television. "He's likable, very smart, pragmatic and works hard."

Tim Fischer, Parliament leader of the Nationals, shares that view. Mr. O'Chee, he said, is "setting a cracking pace and making a very strong and capable contribution."

Mr. O'Chee joined the National Party, regarded as the most conservative of the three main parties, when he was 15.

"A lot of people whinge about things over bar stools but are not actually willing to get out there and do something to bring about change," he said. "I believe in getting on and doing the job. That's what the National Party stands for."

Mr. O'Chee said that if Australia is to develop "maximum synergy" with East Asia's rapidly growing economies, it must stimulate its own growth and savings and bring taxes down.

He wants the federal government to channel more money to regional and rural development, particularly ports, railways, water storage and irrigation projects for the north.

"We say we want to do more business with Southeast Asia, but all our major ports face east or south," he said. "We are only scratching the surface of our potential as an exporter to Asia of products based on agriculture and mining."

Mr. O'Chee supports closer relations with the lands of Asia and has visited several Southeast Asian countries this year.

"It would do a lot of good if we had more people of Asian descent who could fly the flag for Australia," he said.

## WORLD BRIEFS

### New Clue on North Korea Plutonium

SEOUL (Reuters) — North Korea may possess enough plutonium, the main ingredient for a nuclear weapon, to build three or four nuclear warheads, a Seoul newspaper reported Sunday.

The paper, Chosun Ilbo, quoted an unidentified senior government official as saying that the North had halted the operation of its five-megawatt reactor at Yongbyon for 71 days in 1989, a month in 1990 and 50 days in 1991. "In this context, North Korea is presumed to have extracted 22 to 27 kilograms of plutonium," the official said. The amount is enough to produce three or four atomic bombs.

Earlier this year, the Central Intelligence Agency said there was a better than even chance that the North had extracted enough plutonium at Yongbyon in 1989 to build at least one nuclear weapon. The United States and North Korea adjourned talks in Geneva on Pyongyang's nuclear program until Monday after one day of resumed negotiations on Friday.

### Italy Rearrests Ex-Health Minister

ROME (Reuters) — Francesco De Lorenzo, a former health minister who was freed from prison last month under a disputed government decree limiting pre-trial detention, was arrested again over the weekend, judicial sources said.

The Ministers' Tribunal, a special body dealing with cases involving past and present members of government, issued a warrant for Mr. De Lorenzo in connection with alleged corruption involving the health service. The police subsequently detained him on Saturday in Naples, where he has been under house arrest since July 14.

Mr. De Lorenzo was one of the high-profile suspects released from jail in July when Prime Minister Silvio Berlusconi's government curbed magistrates' use of pre-trial custody. Public protests forced the Berlusconi government to withdraw the decree, but no before more than 2,000 suspects were freed. The decree has been replaced by a bill that limits the use of custody but still allows investigators to detain corruption suspects in preventive custody.

### Samper Is Inaugurated in Colombia

BOGOTA (WP) — Ernesto Samper was sworn in Sunday as Colombia's president amid lingering doubts about his campaign's alleged links to the world's most powerful cocaine cartel.

During his inaugural speech in Bogota's Plaza Bolivar, Mr. Samper, a 44-year-old economist, promised to press ahead with the war on drugs, but called on industrialized countries to control demand. Colombia's Cali cartel supplies an estimated 80 percent of the world's cocaine.

Tensions between Colombia and the United States deepened shortly after Mr. Samper's June 19 electoral victory when he was accused of taking millions of dollars from the Cali cartel in campaign contributions. The candidate admitted his campaign received cartel offers but denied any money was accepted. A series of drug-related scandals in recent days have revealed alarming levels of infiltration by the Cali cartel. Last week the government suspended 17 police commanders in Cali, Colombia's third largest city, after security forces seized a cartel payroll listing bribes received by more than 100 city policemen.

## TRAVEL UPDATE

### Souvenirs at Buckingham Palace

LONDON (AP) — Buckingham Palace is setting some high prices at its souvenir shops this year, and it expects visitors to be grateful.

"Some people have not come halfway round the world to spend \$50," a spokesman said. "They want to spend a decent amount of money." Thus, the top-of-the-line souvenir this year will be a carriage clock costing \$495 (\$760), in a limited edition of 100.

Buckingham Palace opened Sunday for public tours, which continue until Oct. 2. Queen Elizabeth II opened the palace for the first time last year to raise money to repair fire damage at one of her other homes, Windsor Castle.

A cholera outbreak in Daghestan is on the verge of becoming a full-scale epidemic, the Russian republic's deputy prime minister, Lev Gladish, has warned. (AP)

Protesting exodus threats by gangsters, most cafés and restaurants in Warsaw's Old town closed on Saturday and Sunday, leaving tourists parched in sweltering heat. (Reuters)

Workers at Ireland's state-owned airline, Aer Lingus, threatened Sunday to disrupt flights this week, stepping up a dispute over layoffs and cost cutting. Eighteen flights were held up at Dublin airport for up to two hours Saturday when maintenance employees walked off the job. (Reuters)

A typhoon battered Taiwan on Sunday, crippling air traffic and forcing the government to evacuate more than 1,000 Chinese fishermen living illegally aboard trawlers off the coast. All domestic air flights were suspended, and many highways were closed because of landslides and flooding. (AP)

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

**MONDAY:** Iraq.

**TUESDAY:** Singapore.

**WEDNESDAY:** Ecuador, Nicaragua.

**THURSDAY:** Chad, Jordan, Zimbabwe.

**FRIDAY:** Thailand, Zimbabwe.

**SATURDAY:** Central African Republic, France, Tunisia.

Sources: J.P. Morgan, Reuters.

## Domenico Modugno, 'Volare' Writer, Dies

*The Associated Press*

ROME — Domenico Modugno, 66, whose "Volare" rose to the top of the pop music charts in the United States in the late 1950s, died Saturday at his villa on the island of Lampedusa.

Medical personnel on the is-

land, south of Sicily, said in an interview on RAI state television that he had collapsed on the beach and had presumably died of a heart attack.

Other hit songs he wrote included "Ciao, Ciao, Bambina"

and his Italian version of "Mack the Knife." In all, more than 60 million records of his songs were sold worldwide.

In 1987 he won a seat on the Radical Party ticket in the Chamber of Deputies.

Advocates for AIDS patients

## AIDS Meeting Forcing Japan To Face Up to Growing Peril

By Andrew Pollack  
*New York Times Service*

YOKOHAMA, Japan — It might not seem unusual that Toshihiro Oishi, a 25-year-old gay man, is infected with the virus that causes AIDS. What makes Mr. Oishi unusual is that he is one of only four people in Japan ever to have publicly admitted being infected.

"Most people can't even tell their close family members or neighbors," said Mr. Oishi, explaining that AIDS patients and virus carriers in Japan fear discrimination, social ostracism and the loss of their jobs. Most hospitals in Japan refuse to treat people infected with the virus, he said.

But Mr. Oishi bakes things about to change. On Sunday, the 10th International Conference on AIDS opened in this port city outside Tokyo. The conference is the major annual gathering of scientists and others involved in research, prevention and treatment of the virus.

This year's conference is the first to be held in Asia and will call attention to what health officials call the "explosive" spread of AIDS in places like Thailand and India.

Asia is expected to have 10 million infected people by the year 2000 and will become the center of the epidemic, surpassing Africa in the number of new infections each year, according

to the World Health Organization.

But for Japan itself, an insular country that has had fewer than 800 reported cases of AIDS, the conference will mean coming face to face with a disease that many Japanese have regarded as a problem only for foreigners.

Advocates for AIDS patients and public health officials say they hope that the conference will prove to be a catalyst for change, showing the Japanese that the disease exists in their country and is spreading, and forcing the government to improve its programs for prevention and treatment.

Indeed, with the eyes of the world on Japan, the government is about to change. On Sunday, the 10th International Conference on AIDS opened in this port city outside Tokyo. The conference is the major annual gathering of scientists and others involved in research, prevention and treatment of the virus.

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# THE AMERICAS / A QUESTION OF PERCEPTION

## Shift From Fiske Is Bad News for Clinton

New York Times Service

WASHINGTON — The decision by a panel of judges to replace the independent counsel for the Whitewater inquiry is a sharp disappointment for the Clinton administration, as it promises yet another extension of the investigation and the potential for political trouble.

Kenneth W. Starr, the former Bush administration solicitor general who was named by a federal appeals panel to replace the current independent counsel, Robert B. Fiske Jr., promised over the weekend that he would be fair and evenhanded.

Speaking briefly with reporters at the annual conference of the American Bar Association in New Orleans, Mr. Starr, 48,

would not discuss whether he would re-examine ground already covered by his predecessor.

Now he says whether he would ask Congress to delay further hearings on Whitewater until after his investigation is complete.

But under a broadly worded charter granted by the appeals panel last Friday, Mr. Starr has the authority, if he so chooses, to go back over the ground already covered by Mr. Fiske and decide whether the White House-Treasury contacts, or the testimony at congressional hearings over the last few weeks, could provide the basis for criminal charges against any administration officials.

[The White House chief of staff, Leon Panetta, on Sunday called the appointment of Mr. Starr "a waste of time and taxpayers' money," and urged him to pick up where Mr. Fiske had left off. The Associated Press reported from Washington.]

"I hope we don't tramp over old territory time and time again," Mr. Panetta said in a television interview. "We have nothing to hide in this situation, but we would hope there is a point at which enough is enough."

[The Senate majority leader, George J. Mitchell of Maine, said Mr. Fiske had been replaced by someone who had been active in Republican politics. "There is a heavy burden

now on Mr. Starr to be fair and impartial, as he says he will be," Mr. Mitchell said.]

The White House was pleased with the initial results of Mr. Fiske's investigation, in which he found no basis for criminal prosecution in the discussions between the White House and Treasury officials about the investigations into a failed Arkansas savings and loan with ties to the Clintons.

Having been cleared by Mr. Fiske, the 29 current and former administration officials who testified did so without the grants of immunity generally demanded when Congress and a prosecutor are examining the same events.

In the only other portion of the investigation completed by Mr. Fiske, he concluded that the death last summer of Vincent W. Foster Jr., the White House deputy counsel, was a suicide and unrelated to Whitewater.

The panel, a special court appointed by Chief Justice William H. Rehnquist, rejected a request by Attorney General Janet Reno that it reappoint Mr. Fiske, whom she originally chose in January.

In the ruling, the three judges said the decision did not reflect any dissatisfaction with Mr. Fiske. Rather, they said, the Independent Counsel Act was written precisely to avoid the conflict of having the administration investigate itself.

In a brief opinion, the panel said it would be inconsistent with the independent counsel's law for the Clinton administration to play any part in the selection of the person to head the investigation.

"It is not our intent to impugn the integrity of the attorney general's appointee, but rather to reflect the intent of the act that the actor be protected against perceptions of conflict," the court said.

## Starr, a Challenger, Is Challenged

By Ruth Marcus  
Washington Post Service

WASHINGTON — Kenneth W. Starr, a high-ranking official in the last two Republican administrations, has publicly challenged President Bill Clinton's contention that he is immune to lawsuits while in office.

So the surprise selection of Mr. Starr on Friday as the new independent counsel to investigate the Whitewater affair generated some criticism by lawyers and others.

They questioned the choice of a counsel with such staunch Republican credentials and also a public stand on one of Mr. Clinton's central arguments against a civil lawsuit filed by Paula Corbin Jones, charging sexual harassment.

Mr. Starr, 48, has been entrusted with such sensitive issues as reviewing the diaries of Senator Bob Packwood, Republican of Oregon, for the Senate Ethics Committee inquiry into harassment charges.

He was said to have been high on Attorney General Janet Reno's list of choices to serve as special counsel, before she selected Robert B. Fiske Jr.

The sources said Philip Heymann, then deputy attorney general, had telephoned Mr. Starr to ask if he would be available to serve in the post.

In the Reagan administration, Mr. Starr was senior aide to Attorney General William French Smith and was later named to the federal appeals court here. One of his colleagues on the court was David B. Sentelle, a fellow Reagan appointee who heads the special panel that appointed Mr. Starr.

During the Bush administration, Mr. Starr served as U.S. solicitor general, the government's lawyer before the Supreme Court. In late 1992, he was actively solicited and seriously weighed entering the Republican Senate primary from Virginia.

Federal Election Commission records show that he is a contributor to Republican candidates.

Mr. Starr, now a lawyer in private practice, had considered filing a friend-of-the-court brief in the sexual harassment lawsuit filed by Miss Jones. He publicly debated the White House special counsel, Lloyd N. Cutler, on the issue of presidential immunity.

Mr. Starr argued that Mr. Clinton's status as president did not entitle him to block Miss Jones's lawsuit during his term in office.

Although Mr. Fiske also was a Republican, some lawyers said Mr. Starr's recent service and higher political profile made his situation different, particularly given the court's emphasis on impartiality.

## Whitewater, a Wound That Won't Heal?

By Michael Wines  
New York Times Service

WASHINGTON — If in the pathology of scandal, Whitewater was a cancer on the presidency and the Iran-contra affair a hemorrhage, Whitewater has shown itself to be something else.

It is a fever, not fatal, maybe, but politically wasting and beyond a simple cure.

The Arkansas land deal that Bill Clinton first mocked, 29 months ago as "nothing but a big money loser" is now a metaphor for qualms about the president and the way he leads.

True, nobody quite understands it; the two weeks of Congressional hearings that ended on Friday could be eye-glazing, and it seems unlikely to support for immediate projects like health insurance or welfare reform.

that 39 percent of respondents believed that Mr. Clinton did something "illegal" in the Whitewater affair, up sharply from 28 percent who held that view three months earlier.

Rightly or wrongly, with each new element of the story — from disclosure to special prosecutor to new disclosure to hearings to independent counsel — the notion that the White House is somehow not playing by accepted rules becomes

more embedded in the public's mind.

"People basically think people in politics are liars," said the chief aide to a senior Democratic senator. "And there's nothing worse than a photo of your entire administration standing there with their right arms raised. Nothing worse."

The White House and its Democratic political advisers do not entirely agree. Officially, at least, they regard the drift of Whitewater disclosures, denials and recantations as annoying background noise in a presidency with more historic issues on its agenda.

Indeed, Democrats' polls suggest that voters' greatest doubts about Clinton revolve not around Arkansas real estate but his ability to deliver on his many campaign pledges.

In that view, the low buzz about Whitewater will fade if

the president can string together victories on, say, health insurance and crime legislation.

But the prediction that Whitewater will fade assumes, perhaps unlikely, that some aspect of the affair will not boil back into the news once or twice more in the next year, and that if it does, no one will care.

That was plausible in early 1992, when the public image was that Mr. Clinton and his wife had made a bad investment with a man whose savings and loan went belly up.

But since then, inquiries have raised questions about the flow of cash into and out of the venture, about ties to Arkansas politics and Mr. Clinton's campaign for governor, about the handling of state and federal efforts to declare the savings and loan insolvent, and about the Clinton administration's efforts to contain word of all that.

By R. W. Apple Jr.  
New York Times Service

WASHINGTON — The last thing President Bill Clinton wants this week, this month or indeed this fall, is a war. Not in Haiti, not in Bosnia and certainly not in both places at the same time — not while he is struggling to wrest from a recalcitrant Congress a health-care program that would fulfill his campaign promise.

In the minds of Democratic strategists, at least, the political situation comes very close to a matter of life and death. Fall on health care, they say, and the president's chances of winning a second term, let alone limiting Democratic losses in the November congressional elections, will be severely eroded.

So there is little prospect, officials said, that the United States will get involved in active, sustained combat.

As in Haiti, Mr. Clinton is trying to use economic and diplomatic activity to bring about

the desired result. He has countenanced the occasional military gesture, like the retaliatory attack Friday by American and other NATO warplanes.

But talk of more concerted military action is mostly just talk intended to turn up the heat.

Should the president decide

### NEWS ANALYSIS

that the national interest requires it, there are plenty of troops and plenty of planes to carry out an invasion of Bosnia and a major operation in Bosnia at the same time. Cuts in the Pentagon budget have not destroyed the capability to fight two limited conflicts at the same time.

It is the political situation that constrains Mr. Clinton.

"The president is standing on a precipice," said a Democratic senator friendly to the president. "In the next few weeks, the biggest issue of his term will be decided. To win, he needs to

focus all his attention and the attention of Congress on health care. It is close enough so that careless errors could cost him the game. So he won't go looking for foreign policy trouble.

Though there is no official acknowledgment, the feeling is widespread in Washington that Haiti, the problem in America's backyard, rather than Bosnia, the trouble spot in the European hinterland, holds the higher priority in current policy calculations.

But in fact, there is no widespread public clamor for quick American action in either place.

Mr. Clinton has made no sustained effort to build support for such action, either on Cap-

itol Hill or among the general public, in part because doing so would detract from his evangelism on behalf of health care.

And the painful experience from troop involvement in Somalia has persuaded at least some of his advisers how important it is to bring Congress and the electorate into line before committing forces abroad.

### Salvador Grenade Kills 11

Reuters

SAN SALVADOR — Eleven people died and at least 16 were wounded Saturday when a grenade exploded during a bus robbery in western El Salvador, law enforcement authorities said.

On August 29th, the IHT will publish a Special Report on

## THE BRAZILIAN ECONOMY

Among the topics to be covered are:

- Prospects for reform following the elections.
- The outlook for privatization.
- Brazil's volatile stock market.
- A look at the commodities driving the economy.
- Brazil's relations with Argentina, Uruguay and Paraguay.

For more information, please contact  
Bill Maher in Paris  
at (33-1) 46 37 93 78, fax (33-1) 46 37 50 44.

**Herald Tribune**

IN PUBLICATION WITH THE NEW YORK TIMES AND THE WALL STREET JOURNAL

The program for the conference  
will focus on three key sectors:

telecommunications,

transportation and energy.

## INVESTING IN NEW INFRASTRUCTURE FOR EUROPE

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conference, please contact:

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International Herald Tribune

63 Long Acre, London WC2E 9JH, England

Tel: (44 71) 836 4802

Fax: (44 71) 836 0717



Haitian Army recruits taking part in a public training exercise to display military readiness to meet a U.S. invasion. [Jeff Chiu/AP Wirephoto]

## Q & A: Outlook for Resolution in Haiti

Georges A. Fauriol, an expert on Caribbean and Latin American politics, is director of the Americas Program at the Center for Strategic and International Studies, a research organization in Washington. He has been a consultant to the U.S. government and served as an election observer in Haiti. He spoke about the Haitian crisis with Paul F. Horvitz of the International Herald Tribune.

Q. Are there any circumstances under which the regime will depart and permit the restoration of President Jean-Bertrand Aristide?

A. There is a mild opportunity, which would involve a process by which the military would resign, guarantees would be provided to the senior leadership — in effect, giving it a political escape — and that the return of President Aristide would be agreed to but occur more gradually. There would be a link between a lifting of some of the economic embargo and a gradual return to political normalcy, at the end of which would be the return of Aristide.

Q. Are there any circumstances under which the regime will depart and permit the restoration of President Jean-Bertrand Aristide?

A. Since the United Nations authorized intervention in Haiti, is the situation any closer to being resolved?

A. It has moved in a direction that either leaves it up to President Clinton personally or the military leadership in Haiti to, in effect, cry uncle. I don't see either of those two in the next few weeks modifying their position. I don't think that the Haitian military is going to give in, and I don't think that the president of the United States, at this point, wants to intervene, partially because he has more immediate political considerations to take care of at home.

Q. Does a deadline have to be set for the regime to step aside?

A. Either a deadline will have to be set by the United States, in consultation with others, or there will have to be some new diplomatic initiative by the United States or another party.

Q. Is Venezuela prepared to mediate?

A. There are a number of possibilities. Historically, the Venezuelans have been involved in the Haitian question. Another, quite different possibility is one that has been floated on Capitol Hill by Senator Bob Dole involving some form of

political system.

Q. To what extent does Latin America support the United States?

A. There are three positions. First, Argentina has more or less supported the United States' more activist role. That is related to Argentina's interest in re-creating international credibility. The second position, which includes a major



General John M. Shalikashvili, chairman of the U.S. Joint Chiefs of staff, reviewing his troops Sunday in Goma, Zaire.

## IVORY COAST: Years of Disastrous Policies Are Blamed for Africa's Economic Plight

Continued from Page 1  
down to disastrous economic policies.

Most African governments intervene heavily and inefficiently in nearly every economic sector. Hundreds of uncompetitive state-owned monopolies smother business competition. High taxes and tariffs throttle international trade and foreign investment. Unsustainable price subsidies and welfare benefits for city dwellers lead to heavy government borrowing and, in some cases, high rates of inflation.

Artificially high exchange rates for many African currencies, which make it easier for urban elites to buy cheap luxury imports, smother exports and punish farmers in the countryside, where most of Africa's poorest live. Corruption and theft by government leaders and their allies sap national savings that might otherwise be reinvested in productive business.

"This is my country too, so I have the right to work without

giving someone money underneath the table," complained Bergson Koffi, a U.S.-trained Ivorian businessman who said he had spent about \$1 million since 1986 trying unsuccessfully to get licenses for a new cellular phone company.

Mr. Koffi asserted that government employees involved in potentially competitive deals were blocking his progress. "They're trying to make me waste time so I will give up," he said.

Many businessmen do just that. As the pressures of failed economic policies have caused African economies to shrink, political instability and ethnic conflict have risen, frightening off foreign investors and crippling local businesses.

Japanese car and truck makers, for example, keep their inventories floating on container ships off the East African coast, docking only when they have an order, because they judge it too risky and inefficient to keep their vehicles in showrooms, ac-

cording to the Harvard University Business School.

One worsening problem is a relative lack of skilled managers. Unlike in other regions of the Third World, African governments did not use heavy control over their economies after independence to force rapid industrialization, with its side benefits of new technologies and trained work forces. Instead, they relied on agricultural and mineral exports, which among other things provided easy money for crooked governments.

Today, 59 out of every \$10 earned from African exports comes from raw materials and agricultural crops, by far the highest percentage worldwide. Such exports typically pass through inefficient government-controlled marketing boards that are widely described as money machines for government ministers and their political allies. Farmers themselves are heavily taxed, directly and indirectly.

"It was a clear political choice that the government will control all the money coming into the country" from cocoa and coffee exports, said an Ivorian businessman, Mahamadou Sylla.

Small and fragile to begin with, sub-Saharan Africa's industrial sector has shrunk even faster during the last decade than its overall economy, according to the Overseas Development Institute. New foreign investment in African industry, although growing, is a tiny fraction of such investment worldwide.

Western banks, governments and multilateral agencies sometimes reinforce failure in Africa with poorly designed or self-interested loan and aid programs, according to some critics both Western and African.

In West Africa, for example, France spends what diplomats estimate to be \$2 billion to \$5 billion annually to subsidize former colonies that today pursue what many Western economists see as highly inefficient economic policies. The World

Bank, under what bankers and diplomats describe as heavy French pressure, has kicked in large sums to support these West African governments, including that of Ivory Coast.

Some Western-funded economic policies that many economists see as inefficient for Africans have nonetheless benefited Western business and political interests, said economists, diplomats and businessmen.

Bank officials say that while some of their past policies may be debatable, the bulk of responsibility for failure lies with recipient African governments. And lately, they economists argue, there are signs of new commitment to economic reform in many sub-Saharan African countries.

Indeed, while the region's overall economic picture is gloomy, there are pockets of exception where governments have aggressively pursued free-market-oriented reform programs and have been rewarded with persistent economic growth.

In Ghana, where President Jerry Rawlings has stuck with painful reforms for a decade, the economy has grown by an average 5 to 6 percent each year since 1983. The World Bank, which desperately needs an African success story to serve as a model for its economic prescriptions, praises Ghana as a regional leader. As with Ivory Coast earlier, however, the question is whether Ghana's achievements will last.

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## Rwandan Refugees Settle Into Camp Life

By Jane Perlez  
New York Times Service

**GOMA, Zaire** — Now that the initial shock of the relief disaster of the Rwandan refugees has subsided, international organizations find themselves faced with two unpalatable choices over the future of the 500,000 people camped on the border here.

The refugees can be encouraged to dig in and become entrenched in the sordid camps, where military and civilian resources have been dispatched to keep the refugees afloat. Or they can be prodded, but not pushed, to go home.

In recent days, the preference has been to prepare the refugees to stay for the long haul, even though this was not the first choice and the implications are unap- pealing.

Already, refugee officials are wondering if the Rwandans will become a prolonged presence, like the 13 years the Cambodians stayed on the Thai border or the 30 years the Eritreans camped in Sudan.

"In the beginning of the cholera epidemic, I thought the refugees would get up and go home," said Mike McDonagh, an experienced hand in refugee crises in Africa and Asia and the director of the relief agency Irish Concern.

"I thought this was the best thing. But I think there is a genuine fear of going back."

Entwined in the dilemma for the donors is the realization, now that the emotion of

so many cholera deaths has abated, that the refugees include many people implicated in the massacres in which an estimated 500,000 Tutsi civilians were killed.

Members of the Interahamwe, a militant Hutu militia that carried out many of the killings, have been identified in the camps. Some hold powerful positions of control- ling food distribution.

"No one is under any illusion about whom we are dealing with here," Mr. McDonagh said. "We can't help these people. But the more you read, the more you talk, the more you see, the more difficult it becomes."

Reports from Rwanda that some returning Hutu refugees have been killed by elements of the new Tutsi-dominated government have added strength to the argument that the refugees should not be hastily returned.

Because of the immensity of the atrocities committed by Hutu militia against the Tutsi, retaliation against Hutu refugees is almost to be expected, some refugee experts say.

The United Nations High Commissioner for Refugees, which is responsible for the safety of refugees no matter what their political persuasion or past, has recently become doubly cautious in its policy of repatriation. In 1992, the agency encouraged Tutsi refugees to return to Burundi and some were killed by Hutu.

One obvious way to see whether it is safe

for refugees to return would be for the UN to investigate the reports that refugees have been killed on their return.

But Panos Mountzis, a spokesman for the agency, said it did not have the staff to do the job. A team of only five arrived in Rwanda from the refugee agency this week to organize repatriation and follow up on the accusations, he said.

As doubts continue about the wisdom of encouraging the refugees to go home, a routine, even inertia that inevitably sets in after a lot of money and resources have been spent in establishing camps, is setting in here.

There are now dozens of international relief agencies supplying food, water and medicines, alongside soldiers from the United States and France.

The refugees are daily becoming more established. Provincial leaders and those under them have drawn up a list of their constituents just as they did at home. They are doing out food and political favors according to the way it was in the hills of Rwanda. The narrow roads to the refugee camps have become congested with food and water trucks.

And there is the strong likelihood that the refugees will become politically organized and present a challenge to the new Rwandan government. The old Rwandan Army is marching around the refugee camps, fanning the already strong fear of the new government.

## No Compromise in Nigeria

### Regime's Foes Steadfast on Abiola Presidency

By Howard W. French  
New York Times Service

**LAGOS** — With tension growing from more than a month of strikes, opponents of military rule in Nigeria are signaling that they will accept no solution to this country's political crisis short of the installation of the man widely believed to have won the presidential election last year.

With most workers in the country's economic capital, Lagos, joining in a strike by employees of the country's vital oil industry, Nigeria's military leadership has sought a solution to the crisis by offering a conditional release to Moshood K. O. Abiola, an opposition leader and the presumed winner in the June 12, 1993, national elections.

He has been jailed on treason charges since late June for his attempt that month to claim the presidency.

In a series of maneuvers that surprised even close associates of Mr. Abiola, lawyers and labor leaders who were apparently acting at the behest of the military requested the opposition leader's release on bail before a federal judge in Abuja, the federal capital, on Friday.

Residents of the predominantly Yoruba southwestern part of the country have grown increasingly militant in their demands for democracy, insisting on respect for the results of last year's election, which Mr. Abiola, a Yoruba, is widely believed to have won.

The country's predominantly Muslim north has largely continued to support the military, an institution its residents have long dominated.

The southeast, where most of Nigeria's oil is produced, meanwhile, has grown increasingly restive over what many of its residents say is an unfair distribution of wealth favoring the two other regions. Nigeria receives 80 percent of its export earnings from the sale of oil.

## BOOKS

### FEAR OF FIFTY:

A Midlife Memoir

By Erica Jong. 325 pages. \$24. HarperCollins.

Reviewed by Lynn Freed

**A**NYONE coming to "Fear of Fifty" for wisdom on hormone-replacement therapy, post-menopausal zest, gray power will be disappointed. This book has no more to do with the fear of being 50 than "Fear of Flying" has to do with the fear of flying. What Erica Jong, at 50, has written is a funny, pungent and highly entertaining memoir of her growing up, her men, her marriages, her motherhood, her writing, her successes and her failures on all fronts. And she has done so, of course, with her customary candor.

For all its apparent simplicity, candor is not easy to achieve. Truth hides behind clichés of every sort, behind pride, behind cultural imperatives to sell, sell, sell oneself. To come up with an accurate accounting and analysis of one's motives, one's reactions, one's fears and deceptions, one needs to work down to the truth and then to know it when one sees it. And, to be brave enough to bring it into the light. It is here that Jong triumphs. Apart from anything else, her memoir, like so much good fiction, is a delicious concoction of gossip.

Believing that sex and creativity are allied, she considers her lust as a sort of gift, a gift that is bound up with her own brand of romance. A visit to an S&M joint, for instance, leaves her stone cold. A visit from an Irish poet, whose charm has vanished, has the same effect (although she obligingly makes love to him even so). On the subject of men and women, she is refreshingly incorrect politically. She is also irked by her feminist critics, hurt by criticism in general. Terrified of it, in fact.

"Often," she writes, "I have tricked myself into writing with candor by telling myself I would not publish (or would publish only under a pseudonym — perhaps even a male pseudonym)." Instead she finds, "I had written on my skin and stood before the world like a naked tattooed lady."

The book is, in fact, full of wisdom, quips, advice, anecdotes on the writing process, the writing life, and on the miseries of fame and celebrity. The Jewish woman writer is discriminated against by Gentiles, who see her as loud, overweight, demanding, and by Jews, who see her as the ferocious sacrificing incarnation of the mother of countries, viz. Italy ("I

### WHAT THEY'RE READING



• Thomas Dove, a retired U.S. Foreign Service officer who served in India and Nepal, has just read "Of Dreams and Demons: An Indian Memoir," by Patwant Singh.

This superb book tells how Indian leaders disastrously played communal politics, bringing their own destruction and endangering the secular state with the possibility of Hindu fundamentalist rule." (IHT)

of a society is what cannot be said. And women's work still cannot be said. It's called whining. "Women in America may have the best bathrooms to clean. But they often have no one to share their children with." A woman's ability to achieve depends on childlessness or child care."

Together with her talent for summarizing the complexities of life and for making the particularities of her own life universally significant, Jong has the gift of taking her reader along with her for the ride. Her assumption that this reader is also a fan does not, surprisingly, get on one's nerves. On the contrary, the assumption is rather entertaining. She has taken a lesson from Norman Mailer. She is a one-woman band that, somehow, includes a strip show. She is Erica Jong.

Lynn Freed, whose most recent novel is "The Bungalow," wrote this for The Washington Post.

## BRIDGE

By Alan Truscott

**O**N the diagramed deal, played before five-card major openings became standard, South reached three notrump.

The diamond jack was led and won with dummy's queen. A heart was led, East played low from his hand and dropped the jack from the dummy. There was then no way to prevent him from reaching his own hand and making his game.

East had to make two cards. He went wrong by parting with a heart and a spade, and South cashed three spades. A heart was led, and

North cashed three notrump cards.

East made a good effort to recover from his earlier error by leading the club queen. This appears to guarantee three more tricks for the defense: he played low from his hand and dropped the jack from the dummy.

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## Defector Says Saudis Sought Reactors To Build Weapons

By Paul Lewis

New York Times Service  
UNITED NATIONS, New York — A former diplomat seeking political asylum in the United States asserts that Saudi Arabia tried to buy nuclear research reactors from China and from an American company in 1989 as part of a secret effort to develop nuclear weapons.

In an interview, the former diplomat, Mohammad A. Khilewi, who was the second-ranking official at the Saudi Mission to the United Nations, produced letters to support his allegations.

One, dated Jan. 10, 1989, appeared to be from the China Nuclear Energy Industry Corp. in Beijing to Prince Abdel Rahman, a nephew of King Fahd, saying the company was willing to sell what was known as miniature neutron source reactors to Saudi Arabia, and pay the prince a 5 percent commission on the deal.

The letter does not state the cost. Experts describe such reactors as small models suitable for research, with relatively simple applications.

In another letter, dated Feb. 5, 1989, to a senior official at Ryadh University, Prince Abdel Rahman reports on a visit to Chinese nuclear industries and says Saudi Arabia needs a "nuclear reactor and training program."

Mr. Khilewi provided an English translation of that letter, which was in Arabic.

In a letter dated May 16, 1989, to a company in Alexandria, Virginia, called Manne Services Ltd., a senior official of the King Abdel Aziz City for Science and Technology acknowledges receipt of a "documents/specifications for a Miniature Neutron Source Reactor" and promises to give them "careful review."

Asked about Mr. Khilewi's claims, an official of the Saudi Embassy in Washington, Adel Jubir, challenged the authenticity of the documents Saturday in a telephone call from Paris, but did not comment on their substance.

Mr. Khilewi says he has 14,000 documents proving human-right abuses, terrorism and corruption by the Saudi government. He broke with his government in May after applying for political asylum in France. His request is pending.

In the interview Friday, Mr. Khilewi asserted that when he left Saudi Arabia two years ago he believed that the kingdom had two undeclared research reactors. He offered no documents.

## CUBA: Castro Retreating on Refugee Threat, U.S. Says

Continued from Page 1  
both in Miami as well as in Cuba—is now calm."

(AP, Reuters)  
William Booth of The Washington Post reported earlier from Miami.

Havana was reported to be tense but quiet, with policemen and Communist Party militants guarding the waterfront after a rare show of political unrest.

Crowds of Cubans estimated by some observers to have reached as many as 10,000, gathered in Havana on Thursday and Friday, some to taunt government security forces and chant "Down with Fidel." And in the previous 10 days, three passenger ferries had been hijacked in Havana harbor by Cubans desperate to flee.



*AP Wirephoto*  
SINGIN' IN THE SUN — Michael Jackson and his wife, Lisa Marie Presley, being shielded Sunday from the Budapest heat. He was making a music video for his next album, in which he is depicted as freeing Eastern Europe from Soviet domination.

## Germans Gather to Protest Neo-Nazis As Police Break Up Extremist Rallies

Reuters  
BONN, Germany — Police cracked down on far-right youths in several parts of Eastern Germany during the weekend as protesters rallied against neo-Nazis at the former death camps at Buchenwald and Bergen-Belsen.

At a ceremony Sunday at Bergen-Belsen to mark the 50th anniversary of the killings of the last Gypsies held in the Auschwitz-Birkenau camps, the president of Parliament, Rita Süssmuth, recalled the 500,000 Gypsies gassed to death by the Nazis.

"I am deeply disturbed that Gypsies are again today being attacked and threatened," she said.

In the state of Brandenburg, just outside Berlin, police broke up a gathering of about 30 neo-Nazis late Saturday, detaining six of them, a spokesman said Sunday. The youths shouted "Heil Hitler" and greeted the police with Nazi salutes.

In Buchenwald on Saturday,

about 500 people demonstrated to protest a neo-Nazi rampage two weeks ago at the camp, where more than 50,000 people were murdered by the Nazis.

An organizer of Saturday's rally said they hoped to show the world that the majority of Germans deplored far-right radicalism and would no longer tolerate it.

"We must transform anger into resistance," said Pierre Duhamel, president of the International Buchenwald Committee.

In nearby Gotha, meanwhile, eight young neo-Nazis were detained after boozing out, taped speeches by Adolf Hitler and rightist skinhead music from a stereo recorder, police said. Under German law, Nazi propaganda is banned.

Most of the 51 were foreign found to have irregularities in their identity papers, the official told Reuters, adding, "There could be more such operations today and in days to come."

France on Saturday dismissed a demand by the military wing of the Islamic Salvation Front to free the 17 Muslims seized in France by authorities following Wednesday's guerrilla attack on a French Embassy housing compound in Algiers in which five French officials were killed.

The militant Armed Islamic Group has claimed responsibility for the attack. On Saturday the group warned Algerian students and teachers to stay away from schools and universities and said any that stayed open would be blown up or burnt down.

The 17 detainees, accused by Interior Minister Charles Pasi of "support for terrorism" while on French soil, were being held in an army camp in the village of Folembre.

The front has been banned in Algeria and is a prime target of a French crackdown on suspected fundamentalists.

Interior Ministry officials said it ordered a tightening of security across France. Police surveillance was also increased at embassies, railway stations and airports.

Mr. Pasi told French television all of those detained had been served with expulsion orders, but he added that France will not expel them at this time because their lives would be in danger if they were forced to return to Algeria.

## Paris Police Tracking Militants

Reuters

PARIS — Police fanned out across Paris on Sunday after Algerian fundamentalists threatened reprisals if France failed to free 17 suspected Muslim militants.

Some 3,000 people were stopped on the streets of the capital, and 51 were taken in for questioning, a police official said.

Most of the 51 were foreign found to have irregularities in their identity papers, the official told Reuters, adding, "There could be more such operations today and in days to come."

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## MIDEAST: Vow of Reprisal

Continued from Page 1  
United States telling Israel how to conduct its policy.

Last summer, Israel, Syria, Iran, Lebanon and the Hezbollah leadership reached an understanding that Hezbollah would not fire rockets into Israel and in return the Israelis would not attack Lebanon.

Mr. Peres urged respect for that agreement and said Syria should use its influence with Hezbollah.

Mr. Christopher said that the spreading violence "only underscores the need for a peaceful resolution."

But his Syrian hosts, in a commentary broadcast on state-run Damascus radio shortly before his arrival, said only a clear statement from Israel that it would withdraw fully from the Golan Heights could unblock the negotiations.

The only new thing that makes the step for peace possible is a clear statement by Israel committing itself to full withdrawal from the land to the pre-1967 boundaries," the radio said.

Syria and Lebanon are the only participants in nearly three years of peace talks yet to conclude even an interim peace deal with Israel. Jordan and the Palestine Liberation Organization have done so.

(AP, Reuters)

## First Phone Call to Jordan From Israel Is an Invitation

Agence France-Presse

JERUSALEM — President Ezer Weizman of Israel marked the opening of direct international telephone links with Jordan Sunday by calling King Hussein to invite him to Jerusalem.

He greeted the king in Arabic and then said in English he wanted to take the opportunity "to repeat an open invitation to visit Israel and Jerusalem and this time I will take you up." On a Jordanian aircraft over Israel.

Mr. Weizman, who is a former fighter pilot and commander of the Israeli Air Force, told the king to telephone him any time he wanted, according to the conversation broadcast by Israeli radio.

The king replied in Hebrew, saying "toda," or "thank you."

## HAITI: General Predicts Invasion

Continued from Page 1

to draw a line in the sand," he said. "It's better not to have a deadline but to watch events and to move at the right moment. I can assure you that the international community will do that."

In his interview, General Cedras said: "If you travel across the land, you will see that every barracks is filled with young people who are fighting to sign up and to get training because they know they must defend their country."

The idea that nationalism would spur Haitians to a fierce defense against invasion was waved aside by Mr. Gray. He recalled that before the 1991 U.S.-led military operation to force Iraqi forces from Kuwait, Iraqi television was filled with images of people training to repel an invasion. "You saw how much that meant," he said.

Despite his fatalistic talk of an inevitable invasion, General Cedras repeated assertions that the crisis would not be resolved by deposing him and other military leaders and restoring President Jean-Bertrand Aristide to office.

NEWS EVENTS WHICH AFFECT YOUR LIFE THIS YEAR:

• The Gulf War

• The Persian Gulf War

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# International Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Enforce the Bosnia Plan

It isn't pretty what is happening in Bosnia, but perhaps things are moving in a better way. Serbia's Slobodan Milosevic, who more than anyone lit the fire, has got tough — physically tough — on his political opposition of the even-more-rabid right. His evident purpose is to free himself to join the international progress that will end the war and start to unravel the economic sanctions and political isolation squeezing his war-torn nation.

So positioned at home, Mr. Milosevic is now openly insisting that the Bosnian Serbs — in many but not all ways his creatures — reverse course and accept the peace plan of the international "contact group." To make his point he is imposing an economic blockade, except for food and medicine, on the now isolated Bosnian Serbs and inciting the people to turn against their leaders. He is trying to leash the monster he unleashed.

This was the context in which NATO and the United Nations suddenly broke free on Friday from four hammy months of much talk and no action, and responded to the latest flagrant Bosnian Serb cease-fire violation in Sarajevo with an air strike. True, it was a pinprick: two American warplanes with allied escort

shot up an anti-tank vehicle after Bosnian Serbs raided a UN weapons park, wary of possible counterattacks on UN peacekeepers, NATO and the United Nations made sure that the targeted vehicle had no people in or near it. But it was sufficient to induce the Bosnian Serbs to return five stolen heavy weapons.

Meanwhile, the Muslim-led government of rump Bosnia, its arms improved clandestinely, is readying what looks like an ambitious military offensive around Sarajevo. This is yet another pressure on the Bosnian Serbs to accept the peace terms offered by the United States, Russia, Britain, France and Germany.

Each party has its role in Bosnia. The United States and its partners in the contact group should not shy from theirs. The peace plan they wrote was flawed; it rolls back the Bosnian Serbs only partly, and condones much of their "ethnic cleansing" and unilateral border-changing. But having written a plan, if that word means something designed to make others sit up and behave differently. It will have been mere gesticulation.

That gun was only one of several known to be in the "exclusion zone" around Sarajevo. Even if the Serbs pull the others out, bitter experience suggests that they will soon slip new ones in, unchallenged.

In the meantime, the NATO air attack was a response to the Serbs' seizure of several armored vehicles from a site supposedly being guarded by the United Nations. The vehicles have been handed back but the unreliability of the UN guards has been dangerously exposed. In military terms the Serbs have lost nothing in this exchange. In political terms they may therefore have won yet another round.

If the West were in earnest, it would now insist that the demilitarized zones around Sarajevo and Gorazde be wholly cleared, and kept cleared. It would also leap upon last week's offer by Serbia's

— THE WASHINGTON POST.

## Is the President Listening?

Give the Clinton administration witness to this. They were tireless in their legalistic evasions and prickly self-justifications. Even with a new independent counsel on the case, their "nothing happened" defense may have thrown up enough smoke and confusion for them to avoid legal trouble. But at what cost to an administration with a record of recklessly promiscuous conflict of interest and to a president already suspected of being incapable of remembering the whole truth?

Bill Clinton may have simply been blessing his aides' efforts to save their own skins, or jobs, when he said he had not watched the Whitewater hearings. But if he spoke the truth, the confession suggests man oblivious to the fact that his political ship, and hence his presidency, could break apart on the rocks of mismanagement and obfuscation. Certainly he and his surrogates would not have dared promise in 1992 to provide the kind of government described before the Senate Banking Committee. The appalling disingenuousness of Lloyd Cutler, Bernard Nussbaum, Jean Hanson, Roger Altman et al. reduced even the more thoughtful Democrats to hand-wringing.

Like most Americans, the senators understand that there are decent limits to partisanship and self-protection. They expect senior officials to operate with sound judgment, a sense of propriety and a minimal respect for the independence of investigative and regulatory agencies.

In a world of normal expectations, for example, it would never occur to anyone that the acting head of Resolution Trust Corporation, Mr. Altman, would voluntarily scurry to the White House to discuss even procedural issues, or that his counsel, Ms. Hanson, would alert intimates of the president and the first lady to investigations involving them and their Arkansas business partner, Mr. Altman, in his eagerness to ingratiate himself with Mr. Clinton and to succeed Lloyd Bentsen as secretary of the Treasury, compromised his duty.

Meanwhile, White House officials fought Mr. Altman's decent instinct to recuse himself because they wanted a fail-safe mechanism that would allow them to monitor the supposedly independent investigation and, some suspect, intervene to block a finding hostile to Mr. Clinton and his freewheeling Arkansas confederate, James McDougal.

The White House line is that nothing illegal or unethical happened. That simply means that the participants were careful and the nation lucky — this time.

But it misses the larger point. These people tainted the processes agreed to over the decades by Democrats and Republicans alike. That is why we see Democrats like Donald Riegle, chairman of the Senate Banking Committee, telling Mr. Nussbaum that he was simply wrong to comment on recusal decisions affecting the RTC. That is why we see Democratic excusers like Representative Henry Gonzalez reduced to the role of court jester.

The Whitewater hearings provided an insight into a continuing problem. The Clinton loyalists think they can poke and snook anywhere in defending the president's political interests. Such has been their operating style since inauguration day. That is why, early on, the Federal Bureau of Investigation was misused to build a case against the White House travel office. That is why in the last few days we have learned that files belonging to the late Vincent Foster, which should have been delivered to the proper authorities, spent five days in a safe in the residential wing of the White House.

What can the Clinton administration do to restore its reputation, assuming that the problem interests Mr. Clinton?

Clearly, the Treasury Department, which must work closely with Capitol Hill, has no credibility with Congress and will have none as long as Mr. Altman, Ms. Hanson and the comical Joshua Steiner remain. The Senate Banking Committee seems willing to believe Secretary Bentsen when he says he did not know until March what the others were up to. So the door is open for Mr. Bentsen to clean house and install a new team if Mr. Clinton will give him the go-ahead.

What Mr. Clinton thinks or wants when it comes to public and congressional confidence is a mystery. In the last decade of the 20th century we have a White House that operates by 19th century rules of political intrigue — hidden files and clandestine tip-offs. The hardened pols on the Senate Banking Committee explained the bipartisan rulebook on modern governance to the administration. But in this White House, it is hard to know if anyone — including the boss, especially the boss — is listening.

— THE NEW YORK TIMES.

## Other Comment

### Will Haiti Set a Precedent?

UN Security Council authorization of a possible U.S. invasion of Haiti might hold implications for Nigeria, where democracy is being denied. And also for Rwanda — a prime example of what happens when there is an absence of policy and a belated and uncoordinated international response. The United Nations' decision may be bold and courageous, but it will leave the organization wide open in the future to charges of inconsistency.

— The Star (Johannesburg).

### Watching Clinton on Burma

With Canada now following the European Union and Australia in making overtures to [Burma's] ruling junta, the State Law and Order Restoration Council, the United States is in danger of becoming the Western world's odd man

out. How long that status will continue is anybody's guess, for American foreign policy is not noted for its consistency. Somalia demonstrated a lack of stamnia. In [the former] Yugoslavia, the United States threatened to give the Serbs hell, then temporized. By sending the Reverend Jesse Jackson to Nigeria to express his concern over the military's refusal to hand over power to a civilian government, President Clinton only betrayed naïveté. His pussyfooting over Haiti strengthens the suspicion that the Americans may have lost the will to take decisive action even in developments on their own doorstep.

A record of pusillanimity and vacillation will be sealed if the United States follows Canada in seeking a dialogue with the SLORC [in Burma]. Of the independent initiative that might rescue American foreign policy from the charge of flip-flopping, there is still no trace.

— The Straits Times (Singapore).

## So Far, the West Has Missed a Historic Opportunity

By Brian Beedham

LONDON — For those who wonder about the future of the West, August is the bleakest month. It contains so many anniversaries of the past century's beginnings and endings: the start of the first world war, the finish of the second, the failed coup in Moscow that finally buried communism. As we trudge through these anticlimactic mid-1990s, August is a time to recognize how lamentably we have failed to make use of the great opportunity the history of the 20th century has offered.

Consider last Friday's destruction by air attack outside Sarajevo of a single Bosnian Serb anti-tank gun. NATO acts, Serbs are warned, shouted the headlines. Yet unless this one-gun skirmish is followed through with a determination so far unknown in the West's record in ex-Yugoslavia, this will not have been a serious military action; barely even a gesture, if that word means something designed to make others sit up and behave differently. It will have been mere gesticulation.

That gun was only one of several known to be in the "exclusion zone" around Sarajevo. Even if the Serbs pull the others out, bitter experience suggests that they will soon slip new ones in, unchallenged.

Moreover, the NATO air attack was a response to the Serbs' seizure of several armored vehicles from a site supposedly being guarded by the United Nations. The vehicles have been handed back but the unreliability of the UN guards has been dangerously exposed. In military terms the Serbs have lost nothing in this exchange. In political terms they may therefore have won yet another round.

If the West were in earnest, it would now insist that the demilitarized zones around Sarajevo and Gorazde be wholly cleared, and kept cleared. It would also leap upon last week's offer by Serbia's

President Slobodan Milosevic to stop helping the Bosnian Serbs. He said the same last year, but did not do it. This time he should be told: "Thank you, Mr. Milosevic. NATO is sending troops to help you control the bridges over the river Drina." Only this would guarantee the isolation of Bosnia's Serbs, and perhaps make them accept a half-decent peace.

Let us see over the coming week if the West, this time, is in earnest. If it is not,

Both politicians and people, nonleaders and nonled, now contemplate a costly failure.

its self-criticism in Bosnia will continue, and so will the melancholy August examination of accounts.

North Korea's denuclearization is still in grave doubt. The Rwanda carnage may be spreading into Burundi. Algeria has just tottered a step closer to takeover by an Islamic regime more ferociously anti-Western than it would have been if the West had shown more sense in 1992. Somalia is left, never forgotten, to its private agonies. If America does eventually march into Haiti, that will be a very modest credit to set against such a stack of debits.

Of course, each of these tribulations of the 1990s has had its own local cause. But each of them has been made worse by the West's unwillingness to look ahead clearly, and act with resolution. In the early stages of the trouble, the West has behaved like this because it did not see the chance that history handed to it five

years ago, or contemplate the price of missing that chance.

What when the Russians abandoned Eastern Europe, and the collapse of communism started, was the completion of a cycle of history that began with the outbreak of World War I in 1914. The 1914-1918 war, by destroying the old pattern of nation-states, brought a new sort of competition into the world — a competition of ideologies, the 70-year-long, three-sided struggle between democracy, fascism and communism. It took another world war to beat fascism, and the Cold War to remove communism.

By the start of the 1990s, that cycle over, the democracies were in command of the stage. If they had applied themselves to the inevitable early confusion of the post-Cold War period with clarity and courage — as they did, briefly, in the Gulf War — the scene this August would be far brighter than it is.

If the democracies had had clear eyes and a bold hand, they could in 1991 almost certainly have stopped the emerging horror in ex-Yugoslavia. The extra authority and self-confidence thus won would have helped them to tackle North Korea's challenge earlier, and probably with less risk. If North Korea were by now safely non-nuclear, small tyrants like the generals in Haiti would think twice before thumbing their noses at the West.

Some things were perhaps beyond prevention or remedy, Rwanda among them, but for the rest the old rule of power applied. Get one thing right, and in the next test you will find yourself stronger and the opposition weaker. Success hoists you on to new success. And, alas, failure points you downhill to more failure.

Why has it been all downhill lately? Understandably, ordinary people in the

West wanted to relax after the Cold War. They knew that the necessary effort in ex-Yugoslavia, or elsewhere, would have its price, in money and perhaps soldiers' lives (although the calculations now suggest that the price would probably not have been large). They were reluctant to pay it.

Less forgivably, the politicians did not explain to them why the price was almost certainly worth paying. So long as most of the West has a system of democracy which delegates decision-making power between elections to a handful of politicians, those politicians must grasp what needs to be done, and urge its doing: they must show the qualities of leadership. These past few years, in foreign policy, they have failed that test.

Both politicians and people, non-leaders and nonled, now contemplate the cost of that failure. It is not just that we have to live with the nagging of our consciences about a steadily growing list of Bosnias, Somalias and the rest. The even harsher cost is the damage we have done to our own future.

The West stands smaller in the world's eyes than it did those few years ago. That is why minor league tough in Pale and Port-au-Prince reckon they can probably get away with defying the democracies. We also stand smaller in our own eyes. That is why, when we say that this time we really mean to do something, our voices sound unconvincing.

If by the century's end nuclear weapons are proliferating remorselessly, Russia is saying what the West can and cannot do in Eastern Europe, and the coast of North Africa is in hostile hands, it will be partly because the West chose to spend the early 1990s fast asleep. There is still time, but the clock ticks on, alarm switched off.

The New York Times.

## The Hiroshima Debate Still Divides Americans, 49 Years On

By Martin Harwit

WASHINGTON — The United States dropped an atomic bomb on Hiroshima 49 years ago, and then another on Nagasaki. A year from now, on the 50th anniversary, we Americans will commemorate those pivotal events — but we lack a national consensus on what to say.

Two divergent but widely held views define the dilemma. One

**The postwar generations respect their fathers for the sacrifices they made, but they realize that the nuclear bombs that saved their fathers' lives continue to threaten their own and their children's.**

view sprang up as soon as the bombs exploded and the war ended. Its proponents are united on the many details that need to be included in their story. Properly told, it appeals to our national self-image.

The other point of view, slower in coming to the fore, is more analytical, critical in its acceptance of facts and concerned with historical context. It is complex and, in the eyes of some, discomfiting.

The first view recalls the morning of Aug. 6, 1945, when

three B-29 Superfortresses arrived over Japan's Inland Sea. One of the aircraft, the Enola Gay, named for the pilot's mother, approached its Hiroshima target, released its heavy payload, then veered to distance it from the bomb. Seconds later, at 8:15 A.M., the atomic bomb exploded over Hiroshima.

The crew was stunned by the sight. The blast rocked the aircraft. The 29-year-old pilot, Colonel Paul W. Tibbets, commander of the 509th Composite Group, which was trained and tasked to deliver the bomb, was awed by the sight of the burning, devastated city below. To his copilot he remarked, "I think this is the end of the war."

Five days and another atomic bomb later, Japan surrendered. Our troops were ecstatic. They would not have to die by the many tens of thousands in a bloody invasion of Japan. They would go home instead, settle down with their sweethearts, have children and lead normal lives. They had been asked to save the world for democracy, had accepted the challenge at great personal risk, and had come through victorious.

Approaching the 50th anniversary next year, these same men, now in their seventies, have asked the National Air and Space Museum, into whose care the Enola Gay was entrusted after the war, to put their aircraft on exhibition.

They want the museum to tell their story the way they have always told and retold it — a story of fighting a ruthless enemy, perpetrator of barbaric massacres in China, the infamous attack at Pearl Harbor, the death march at Bataan, torture and executions in prison camps, kamikaze raids on our warships and death by the thousands for every Pacific island wrested away: a story of the world's top physicists working in secrecy to perfect a mighty weapon; a story of a powerful new aircraft, designed, built and first flown in just 24 months; a story of ordinary citizens, men and women, working together to defeat a ferocious enemy.

These are the themes emphasized by those who fought so hard to secure freedom for their children and grandchildren.

Those children and grandchildren are now mature citizens.

For them, the atomic bomb has

been associated — ICBMs, megaton warheads, the DEW line of early-warning stations across northern North America, 45-minute warnings, first strike, Mutual Assured Destruction, nuclear winter . . .

Theirs was not a world of two small atomic bombs but of 50,000, many of which are 1,000 times as powerful as the ones which destroyed Hiroshima and Nagasaki. Next year these younger people will not only commemorate a bomb that ended the most terrible war. They will also have reason to celebrate the restraint that has prevailed for half

century in which no man, woman or child has been killed by an atomic bomb. They want to extend that record to all time.

The Enola Gay symbolizes

the end of one era and the beginning

of another. For an older generation, the aircraft meant the end of World War II; for younger people, it ushered in the nuclear age. The postwar generations respect their fathers for the sacrifices they made, but they realize that the nuclear bombs that saved their fathers' lives continue to threaten their own and their children's.

These conflicting views pose

the dilemma that the National

Air and Space Museum faces as we prepare an exhibition of the Enola Gay for 1995.

We want to honor the veterans

who risked their lives and those

who made the ultimate sacrifice.

They served their country with distinction. But we must also address the broader questions that concern subsequent generations — not with a view to criticizing or apologizing or displaying undue compassion for those on the ground that day, as some may fear, but to deliver an accurate portrayal which conveys the reality of atomic war and its consequences.

To that end, the museum proposes to tell the full story surrounding the atomic bomb and the end of World War II; to recall the options facing a newly installed President Harry Truman, who had never heard of the bomb until the day he was sworn in; to examine the estimates of the casualties Mr. Truman anticipated if U.S. troops had to invade Japan; to consider the extent to which his wish to impress a threatening Soviet Union influenced his decision to drop the bomb; to exhibit the destruction and suffering on the ground at Hiroshima and Nagasaki; and to recall the escalating numbers of weapons in the superpowers' nuclear arsenals during the Cold War, and their current decline.

Faced with a number of alternatives, the museum has chosen to provide not an opinion piece but rather the basic information that visitors will need to draw their own conclusions. This is our responsibility, as a national museum in a democracy predicated on an informed citizenry.

We have found no way to exhibit the Enola Gay and satisfy everyone. But a comprehensive and thoughtful discussion can help us learn from history.







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RHEINHYP, FRANKFURT  
DEUTSCHE GENOSSENSCHAFTS-HYPOTHEKENBANK AG, HAMBURG  
FRANKFURTER HYPOTHEKENBANK AG, FRANKFURT  
DEUTSCHE CENTRALBODENKREDIT-AG, KÖLN  
BAYERISCHE HANDELSBANK AG, MÜNCHEN

WESTHYP, DORTMUND  
BERLIN HYP, BERLIN  
SÜDDEUTSCHE BODENCREDITBANK AG, MÜNCHEN  
MÜNCHENER HYPOTHEKENBANK EG, MÜNCHEN  
HAMBURGHYP, HAMBURG  
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NÜRNBERGHYP, NÜRNBERG  
HYPOTHEKENBANK IN ESSEN AG, ESSEN  
DEUTSCHE HYPOTHEKENBANK (ACT.-GES.), HANNOVER

BRAUNSCHWEIG-HANNOVERSCHE  
HYPOTHEKENBANK AG, HANNOVER  
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RHEINBODEN HYPOTHEKENBANK AG, KÖLN  
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BFG-HYPOTHEKENBANK AG, FRANKFURT  
WL-BANK, MÜNSTER  
HYPOTHEKENBANK IN BERLIN AG, BERLIN

## New International Bond Issues

Compiled by Laurence Desvillettes

Issuer	Amount (millions)	Mat.	Comp.	Price Yield over Treasury	Term
<b>Floating Rate Notes</b>					
Argentina	\$100	1997	7/4	99.59	—
Bank Dogang Negara	\$165	2001	1/20	99.32	—
Export-Import Bank of Korea	\$200	1999	0.98	100	—
National Bank of Hungary	\$250	1999	7/5	98.43	—
TPI Polone	\$100	1999	1/4	100	—
Allgemeine Hypotheken Bank	DM 200	1997	1/20	100.10	—
Caisse Centrale de Crédit Immobilier	DM 175	1999	1/4	100.10	—
De Nationale Investeringsbank	Y 10,000	1998	2.20	100	—
<b>Fixed-Coupons</b>					
Bank Nederlandse Gemeente	\$200	1997	6%	100.00	99.20
Bayerische Vereinsbank Finance	\$200	1997	6/16	101.05	99.25
Grand Metropolitan Investment Corp.	\$200	1999	7	100.01	—
Tjwi Kimia Int'l Finance	\$200	2001	13/4	100	—
European Investment-Bank	DM 750	2000	6%	101.25	99.40
Helaba	£100	2004	9	101.07	—
Abbey National Treasury Services	IR 450,000	1997	10/20	101%	100.30
ABN-Amro Bank	DF 500	2002	7	100	99.50
General Electric Capital Corp.	ECU 100	1998	7/6	101.20	99.50
Canadian Global Funding Corp.	CS 150	2004	10	101.95	100.3
Int'l Finance Corp.	CS 300	2000	zero	60.65	59.50
Robobank Nederland	CS 150	1998	8%	101.40	100.35
Robobank Nederland	CS 125	2004	9%	103.00	—
Australian Industry Development Corp.	Aus\$ 100	2004	9/5	100.25	97.75
National Australia Bank	Aus\$ 100	1999	9/4	101.82	99.60
Queensland Treasury Corp.	Aus\$ 100	1997	4/6	91.26	—
Alberta	Y 10,000	1997	3/30	100.20	—
Hydro-Québec	Y 10,000	1997	3/4	100	—
New South Wales Treasury Corp.	Y 10,000	1997	3/20	100.15	—
State Bank of New South Wales	Y 10,000	2000	4/30	100.23	—
Sweden	Y 100,000	1996	2/9	99.99	—
Treasury Corp. of Victoria	Y 10,000	1997	3/20	100.15	—
<b>Equity-Linked</b>					
Banco de Galicia y Buenos Aires SA	\$130	2002	7	100	—
Kawasaki Heavy Industries	Y 20,000	1998	4/6	100	—

## WORLD STOCKS IN REVIEW

Via Agence France-Presse

### Amsterdam

Amsterdam ended the week's session nearly unchanged, with the EOE index at 419.67 points.

Chemicals firm Akzo Nobel ended higher at 219.70 after a bout of profit-taking Thursday. Unilever rose 1.10 to 196.40 a week before publishing its half-year results.

KLM airlines, Royal Dutch-Shell and electronics giant Philips all saw their stocks slip marginally Friday, with KLM at 55.90, Royal Dutch Shell at 199.30 and Philips at 55.80.

### Frankfurt

The DAX index of 30 leading German issues closed higher, bolstered by a return of dealers to the market, although late profit-taking dampened the week's gains.

The DAX ended at 2,184.76 points, up 1.78 percent on the previous week, amid calm bond and currency markets, bullish earnings and economic data.

Chemical shares prospered before expected strong half-year results due later this month. BASF moved ahead 9.40 Deutsche marks to 325.80 DM. Bayer put on 8.50 DM to end at 369.50 DM and Hoechst gained 9.80 DM to finish at 354.60 DM.

### Hong Kong

Hong Kong stock prices surged 1.26 percent on strong overseas buying, with the key Hang Seng Index gaining 119.40 points to close at 9,602.21 on Friday.

Average daily volume totaled 4,493 billion Hong Kong dollars (5576 million), up from 3,991 billion dollars last week.

Property giant Cheung Kong gained 40 cents, to 38.30 dollars. Hong Kong Land rose 95 cents, to 21.45 dollars, while Hong Kong Bank added 2.75 dollars at 95.75 dollars.

The utility company China Electric fell one dollar at 39.60 dollars, but Hong Kong Electric gained 10 cents at 23.50 dollars and Hong Kong Telecom rose 40 cents at 15.80 dollars.

### London

The London Stock Market enjoyed a respite from interest rate rises last week, shooting up briefly before profit-taking and rising U.S. unemployment figures Friday dampened the surge.

The Financial Times-Stock Exchange 100-share index ended

ed at 3,167.5, Friday, up 2.75 percent from the previous week's close.

British Airways gained 7.5 pence to close at 429 pence after announced an 8.1 percent annual passenger increase for July and before the release of quarterly figures Monday.

Tesco, which won a takeover bid from the Scottish supermarket chain, William Low, gained 11 pence to finish at 242.5, while Sainsbury, which bowed out of the bidding, closed at 428, up 20.5.

British Petroleum, which announced a 19.1 percent leap in second-quarter net profits, raising half-year profits 60 percent to 2813 million, lost 3.5 pence to close at 409.

### Milan

Milan share index, Mibtel, ended the week 1.14 percent lower at 11,168 points in thin, directionless trading.

The market was disappointed that Prime Minister Silvio Berlusconi's speech to parliament lacked a concrete response to his perceived conflict of interests as head of government and of the Fininvest group.

Reports over an inquiry in the United States on the Parrett/MGM affair, in which Fininvest is allegedly implicated, only aggravated the pessimistic mood on the bourse, dealers said.

Fiat slid 1.56 percent, while Olivetti dropped 3.63 percent over the week's session.

### Paris

Paris, still caught up in expectations of interest rate increases, shrugged off some of those fears last week, as the market rose 1.5 percent, with the CAC-40 finishing at 2,107.07 points.

The boost left the key index having clawed back all but 7.1 percent of total losses for the year so far, and dealers think the rises were generally set to continue.

Dealers now have their eyes fixed on upcoming half-year results, with the INSEE forecasting institute optimistic for the months to come.

That optimism has been fueled by falling French unemployment in June, the first drop in four years.

### Singapore

Trading on the Stock Exchange 100-share index ended

strong performance last week as traders brushed aside speculation of a U.S. interest rate rise and looked forward to bullish half-year reports by local blue-chip stocks.

The key market indicator, the Straits Times Industrial Index registered a 66.70 point gain to close at 2,273.12. Malaysian firms were the most active for the week with volume of 41.65 million shares followed by Tan Chong, which recorded a volume of 33.78 million units.

Mulpha International, with 29.66 million shares and Proton with 29.35 million units followed closed below.

### Japan

Share prices rebounded on the Tokyo Stock Exchange last week, with a moderate recovery in export-oriented issues following the yen's retreat against the dollar.

The Nikkei Stock Average of 225 selected issues in the first section rose 72.31 points or 0.4 percent to 20,521.70 points after falling 13.50 points the previous week.

Average daily value of transactions shrank from last week's 28.51 billion yen (\$2.8 billion) to 26.96 billion yen.

Dealers said they would track Japan-U.S. trade talk developments because they could disturb the dollar's stabilization.

Electronics makers gained.

Sony rose 30 yen to 5,900 yen and Matsushita Electric Industries surged 120 yen to 1,760 yen. Hitachi jumped 35 yen to 1,000 yen on news the electronics giant had announced an agreement to merge with its sales subsidiary.

### Zurich

The Swiss Performance Index rose 16.4 points last week in moderate trading to end at 1,726.23.

The most significant news was the 2.79 percent annual fall in UBS half-year profits to 929 million Swiss francs, reported Friday. The bank's share rose 34 francs to 1,150.

Swiss Bank Corp. and Crédit Suisse, which will announce half-year results in the coming days, both lost ground. Swiss Bank Corp. closed the session down 9 at 399 and Crédit Suisse lost 7 to 564.

## Treasury Refunding Could Be a Hard Sell

Compiled by Our Staff From Dispatches

**NEW YORK** — Treasury prices are likely to be on shaky ground this week as the market braces for another increase in interest rates by the Federal Reserve Board and absorbs supply from the Treasury's quarterly refunding auctions.

After the government reported strong job growth for July on Friday, bond

cluding data on retail sales and producer and consumer prices for July. Some economists said they thought the July inflation readings could be the highest so far this year, reflecting the impact of rising commodities prices.

Given the uncertainty facing the market, particularly about Fed monetary policy, "I would suspect we have to do a little more on the downside before we can bring in a lot of interest in bidding on the auctions," said Barbara Kenworthy, a portfolio manager at Prudential Investment Advisers.

Traders generally expect the Fed to raise interest rates by a quarter of a percentage point when the policy-setting Federal Open Market Committee meets on Aug. 16. But some said they expected the Fed to move earlier and by a larger amount.

Ms. Kenworthy said a half-percentage-point increase would reassure the market about the Fed's commitment to fighting inflation. She said she would

prefer to get the tightening out of the way on Monday, before the refunding sales begin Tuesday.

"The last thing the market wants to do is go into the bidding process without knowing what the Fed will do," she said.

Later in the week, after the Treasury has sold 3- and 10-year notes, the economic news will start arriving.

Kevin Logan, chief economist at Swiss Bank Corp., said he expected decent demand at the auctions and said the bond market had still not completely shaken off the bullish undertones that generated recent retail buying interest.

"I think there are people who think it's safe to buy here and I think some will do so," he said.

Mr. Zukowski noted that the market has had a tendency recently to reverse its losses on employment reports and said some participants may be counting on that pattern.

auctions to go fairly smoothly. The yield on the benchmark 30-year Treasury bond rose to 7.55 percent Friday from 7.39 percent the previous week.

Smart Hoffman, chief economist at PNC Bank Corp., predicted the refunding auctions would come close to current yields. He said the sell-off on Friday partly reflected positioning before the auctions.

Jerry Zukowski, an economist at PaineWebber Inc., said he expected decent demand at the auctions and said the bond market had still not completely shaken off the bullish undertones that generated recent retail buying interest.

"I think there are people who think it's safe to buy here and I think some will do so," he said.

Mr. Zukowski noted that the market has had a tendency recently to reverse its losses on employment reports and said some participants may be counting on that pattern.

(Knight-Ridder, Bloomberg)

## Texas Takes Advantage of La Frontera Ampliando

By Allen R. Myerson

New York Times Service

DALLAS — M.G. (Buddy) Herring Jr., a shopping center developer based here, remembers just how he reacted about five years ago whenever anyone mentioned Mexico. "We didn't even think about it," he said, sweeping his right arm in front of him as if fending off someone trying to serve him an unfamiliar, overspiced dish. "We had enough opportunities in the United States."

Now an easel in his conference room holds a map of Mexico, with orange adhesive dots on León, Torreón, Chihuahua and Monterrey. He is so busy

building shopping centers in these cities that he no longer even thinks about the border.

When Mr. Herring boards his flights to Mexico, usually every week, he is joined by others whose awakening has been as sudden.

Call it the broadening border, or *la frontera ampliando*.

Cities hundreds of miles from the Rio Grande are acting more and more like border towns.

Nowhere in the United States is this more evident than in Texas.

Elsewhere, he said, "We have been lowering its trade and investment barriers since the late 1980s and Texans were among the first to notice."

Business people in El Paso and Laredo, Texas, Ciudad Juárez, Mexico, and other border cities are no strangers to crossing the Rio Grande. Now, their counterparts in Houston, Dallas, Chihuahua and Monterrey are opening offices far to the north or south, studying new languages and trying earnestly to adapt to foreign ways.

Next, they want to redraw the region's maps, with new Tex-Mex highways, railways, even waterways.

Last year, Texas shipped \$20.4 billion worth of goods to Mexico, 49 percent of the total U.S. exports to that country and more than any other state.

## Scientists Aim To Launch Media Highway in India

Agence France-Presse

NEW DELHI — Scientists are working on an information highway aimed at linking 70 cities across the country by next March, the Press Trust of India said Sunday.

The highway will be superimposed on an existing satellite-based computer network run by the National Informatics Network connecting 15 towns, the news agency said.

"It will be India's first information highway with multimedia capabilities in which audio, video and graphics can be transferred," NICNET Director-General N. Seshagiri was quoted as saying.

Mrs. Seshagiri said corporations, research centers, educational institutions and exporters could use the highway services, which would include data and large-file transfers, electronic data interchanges and video-conference capabilities.

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# MONDAY SPORTS

## With Kukoc Deal, Bulls Rebuilding

By Harvey Araton  
New York Times Service

TORONTO — When he emerged from the locker room after overwhelming South Korea in the name of Croatia, Toni Kukoc proceeded to talk about becoming the highest-paid player in the history of the Chicago Bulls.

He acknowledged that he is about to sign for six years, reportedly for \$26 million, which is more money than Michael Jordan ever earned from the Bulls, and more than Scottie Pippen now receives.

There is an irony to this that makes Kukoc shake his head. Two years ago this month in Barcelona, he found himself squeezed by Jordan and Pippen as those two original Dream Teamers declared war on the player the Bulls' general manager, Jerry Krause, seemed to be pursuing to the ends of the earth.

"Last year, I came to Chicago to play with Michael and Scottie, with all the guys, to be with the team to learn," Kukoc said Friday after his 12 points and 10 assists sparked Croatia's 104-53 blowout of the out-manned South Koreans on the second day of the World Championships. "I come quiet."

Then Jordan retired. Now Horace Grant has left, signing a free-agent contract with Orlando that is being contested by the league. And there is an expectation that Pippen will be exiled, a belief that will be heightened by the signing of the 25-year-old Kukoc, once hailed as the European Magic Johnson.

• Toni Kukoc continued his season-long insistence that there were no problems between him and Pippen. "No one believes Pippen will accept making less than Kukoc, or that he will want to shift to shooting guard — an unnatural position, especially on defense — when Kukoc cracks coach Phil Jackson's starting lineup.

• Put it this way: The Bulls aren't going to pay Kukoc \$4 million-plus as a reserve, nor are they making such a long-term commitment to make Kukoc

cope with Pippen's mood swings and power plays.

As good as Pippen is — and he is arguably the best non-center in the game — the growing sentiment is that Krause will rebuild the Bulls around Kukoc and whatever package of players and draft picks he can get for Pippen.

That would make the man with the sleepy eyes and the shark tattoo on his left bicep the Bulls' ranking frontline-veteran next season. "The situation changes very quickly," Kukoc said. "Right now, I might be one of the guys."

He means "guys," as in stars, though season ticket-holders, about to fill the new United Center to capacity, may expect even more than that from a \$26 million man.

"One day, I may be ready for that," he said, adjusting the brim of a cap that had the inscription: No Fear. "Sooner or later, I'll be happy to take that responsibility."

For now, Kukoc hopes that Krause has a plan that doesn't involve the kind of losing that would allow the Bulls to rebuild through the draft.

"I don't know if Michael's coming back," he said. "If you know, tell me."



Manuela Machado gave Portugal its fourth straight European women's marathon title.

## U.S. Routs China by 55, Croatia and Russia Gain Basketball Quarterfinals

By Mark Heisler  
Los Angeles Times Service

HAMILTON, Ontario — Now pining a niche as the second-best team of all time, Son of Dream Team chased away its blues and laid a good old-fashioned whipping on poor China.

The Americans played hard this time, they conceded. Don Nelson played his bench-warmer, Dominique Wilkins and Steve Smith, in the first half and everyone enjoyed the 132-77 rout in half-empty Copps Coliseum, except the Chinese.

"We were trying to win by 60 or 70," said Wilkins. "We discussed it in the locker room before the game. We wanted to bury this team. We were predicting a win by 50."

What were they predicting before the game against Spain? "A win by 40 or 50," said Wilkins, laughing.

The Chinese managed a 2-0 lead on Wo Zheqin's 15-footer but that was good as it got for them.

"Before the competition, we have already known who the winner will be," said Xingqun Jiang, the coach of the Chinese team, "but we are not so happy because we did not anticipate losing the game by so many points."

In another of his fits of hyperbole here, Nelson said the Chinese have

"the best passing team in the tournament" and devised a game plan to

match the Dream Team's coach, Chuck Daly, who changed his lineup

nightly. Nelson again trotted out his Game 1 starters — Shaquille O'Neal, Shawn Kemp and three guards — possibly on the theory they were staying in until they got it right.

Once more, Nelson applied the pressure. This time it looked like pressure.

The Chinese turned the ball over 21 times in the first half, including eight times in their first 18 possessions.

The U.S. outscored the Chinese, 41-18, in the last 9:20 of the half of the game Friday, finishing with a 12-0 run in the last 57 seconds.

Nelson, who had held Wilkins and Smith out until the closing minutes of the opening game and suggested he was going to continue playing it to the way, put both in early and gave them

as many minutes as his other reserves.

With the lead in the high 50s, U.S. players on the bench cheered their teammates' shots as if they had incentive bonuses riding on the outcome.

"Winning by 55 has got to say something," said Wilkins. "We got the monkey off our back now. We're ready to do some damage."

• Croatia and Russia won the two pools that finished opening-round

Saturday.

In Pool B, Croatia (3-0), on 25 points each from Dino Radja and Arjan Komazec, beat Australia, 83-69. Croatia, considered almost as much a lock for the silver medal as the United States is for the gold, moved to the

quarterfinal round-robin pool opposite the United States.

Cuba took third in the pool with a 92-79 victory over South Korea.

In Pool C, Russia (3-0) handed the host country its first loss of the tournament, 73-66, outscoring Canada by 10-2 in the final 1:35. Sergei Babkov led Russia with 18 points.

Argentina beat Angola, 67-53, for

third place.

On Sunday, Spain and China met with the winner finishing second in the U.S. pool, and in Pool D Puerto Rico played Greece and Germany.

Egypt, Greece was the only 2-0 team in

that group, while Puerto Rico and Germany were both 1-1 and Germany had won their head-to-head meeting.

## NASDAQ NATIONAL MARKET

Consolidated trading for week ended Friday, Aug. 5.

(Continued)

Stocks Div Yld 100% High Low Chg Chg

# MONDAY SPORTS

## Games Conclude With Odd Winners

The Associated Press

**ST. PETERSBURG** — The U.S. women's basketball team beat France, 87-63, on Sunday to win its first major championship in four years as the Goodwill Games came to a close.

China defeated Russia, 96-76, for the bronze medal.

Lisa Leslie scored a team-high 18 points for the Americans, while Catherine Melain led France with 16.

The United States led from the start and had a 39-19 advantage at the half. The closest the French came in the second half was a 17-point margin.

The U.S. team's first gold medal since the 1990 world championships helped make up for a disappointing third place finish at the world championships in June in Australia.

At the wrapup press conference, TBS chairman Ted Turner got a vase from one Russian journalist for having the "best smile of the games," a notable achievement considering Turner lost millions of dollars staging them.

And at the figure skating exhibition, awards were handed

out for all sorts of novel achievements.

Russian pairs skater Evgenia Shishkova was named "most beautiful skater." Her prize: a new car with the Goodwill Games' logo painted on the hood. The car, a locally manufactured model, was driven onto the rink, where a slightly sheepish Shishkova hopped in and was driven off waving to the crowd.

French skater Marie Pierre Leray hustled onto the ice in her tennis shorts to receive a bouquet of flowers for being named the "most elegant skater."

Russian pairs gold medalist Natalia Mishukova was chosen "best partner." No one, including her partner, Artur Dmitriev, was on hand to explain the criteria for winning the award. She also got flowers.

The prizes were donated by local Russian sponsors, which may explain why French heartthrob Philippe Candeloro appeared to get the short shrift of things. The pony-tailed bronze medalist was named "most popular skater," but, best as anyone could tell, all he got was a handshake.



U.S. player Ruthie Bolton-Holifield, trying to take the ball from Catherine Melain of France.

Michael Rondon/The Associated Press

## SCOREBOARD

### BASEBALL

#### Major League Standings

Through Saturday's games							
AMERICAN LEAGUE							
East Division		Central Division		West Division			
W	L	Pct.	GB	W	L	GB	
New York	67	45	.582	1	50	45	1
Baltimore	65	47	.564	1	51	46	1
Boston	53	57	.482	17	53	57	482
Toronto	53	57	.482	17	53	57	482
Detroit	53	57	.482	17	53	57	482
West Division							
Chicago	44	55	.457	2	45	54	.512
Cleveland	43	55	.455	2	45	54	.512
Kansas City	43	55	.455	2	45	54	.512
Milwaukee	43	55	.455	2	45	54	.512
Minnesota	43	55	.455	2	45	54	.512
NATIONAL LEAGUE							
East Division		Central Division		West Division			
W	L	Pct.	GB	W	L	GB	
Montreal	44	45	.488	1	44	45	.488
Atlanta	45	44	.500	1	44	45	.488
Baltimore	45	44	.500	1	44	45	.488
New York	53	55	.491	16	53	55	.491
Philadelphia	53	55	.491	16	53	55	.491
Florida	47	61	.417	21	47	61	.417
Central Division							
Chicago	44	55	.457	2	45	54	.512
Cincinnati	44	55	.457	2	45	54	.512
Houston	44	55	.457	2	45	54	.512
St. Louis	58	49	.509	15	58	49	.509
Chicago	58	49	.509	15	58	49	.509
West Division							
Los Angeles	55	54	.506	2	55	54	.506
San Francisco	52	59	.468	6	52	59	.468
Colorado	51	61	.455	15	51	61	.455
San Diego	44	59	.409	13	44	59	.409

#### Friday's Line Scores

AMERICAN LEAGUE						
Seattle	600	600	0.000	3	0	
Kansas City	610	201	40.6%	13	0	
Montreal	610	201	40.6%	13	0	
Boston	610	201	40.6%	13	0	
Atlanta	610	201	40.6%	13	0	
Chicago	610	201	40.6%	13	0	
Cincinnati	610	201	40.6%	13	0	
Houston	610	201	40.6%	13	0	
St. Louis	58	61	49.0%	15	0	
Colorado	58	61	49.0%	15	0	
San Francisco	52	59	46.8%	6	0	
San Diego	44	59	40.9%	13	0	
NATIONAL LEAGUE						
Montreal	600	600	0.000	1	0	
Atlanta	600	600	0.000	1	0	
Baltimore	600	600	0.000	1	0	
New York	600	600	0.000	1	0	
Philadelphia	600	600	0.000	1	0	
Florida	600	600	0.000	1	0	
Central Division						
Chicago	600	600	0.000	1	0	
Cincinnati	600	600	0.000	1	0	
Houston	600	600	0.000	1	0	
St. Louis	58	61	49.0%	15	0	
Colorado	58	61	49.0%	15	0	
San Francisco	52	59	46.8%	6	0	
San Diego	44	59	40.9%	13	0	

#### Saturday's Line Scores

AMERICAN LEAGUE						
Seattle	600	600	0.000	3	0	
Kansas City	610	201	40.6%	13	0	
Boston	610	201	40.6%	13	0	
Atlanta	610	201	40.6%	13	0	
Chicago	610	201	40.6%	13	0	
Cincinnati	610	201	40.6%	13	0	
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#### DENNIS THE MENACE



"It's like a baseball game... the White Sox are jumping all over the Red Sox!"

#### PEANUTS



"Here, this just came for you..."

#### WIZARD OF ID

# MONDAY SPORTS

## Pessimism Rules As Time Runs Out In Baseball Talks

Compiled by Our Staff From Dispatches

**NEW YORK** — Baseball's stalled labor talks, broken off for the weekend after a small discussion group spent several hours debating the union's revenue-sharing suggestions, are to resume Monday with the sides as far apart as ever on the relevant issues.

Meetings are scheduled for Monday and Tuesday, but the agenda for either includes the owners' salary cap proposal. Monday's session will cover issues other than the cap, and Tuesday's will be smaller group discussions on noneconomic matters that the two sides have been exploring.

Speaking of Monday's agenda, Richard Ravitch, the owners' chief labor executive, said, "We agreed to try to get issues off the table so if we reach agreement on the core issue at the last minute we won't have the other things to settle." That means they will get to the core issue Wednesday at the earliest.

And no matter how many side issues are disposed of, a settlement seems unlikely in time to avoid a strike, which is scheduled to begin after Thursday's games.

Five months after the owners and players first sat across from one another, the argument remains just about where it started: The owners say they need a ceiling on payrolls — a salary cap — to provide some cost certainty. The players say they won't accept one because it would mean restrictions on free agency and, ultimately, lower salaries.

"If we're not at a standstill, it's the closest thing you can get to a standstill," the union's counsel, Gene Orza, said Friday. His counterpart agreed.

"We had an interesting discussion about the economics of the game," said Ravitch. "We disagreed on all the crucial points."

The head of the union, Donald Fehr, and his staff were meeting with players across the country this weekend.

If anyone is waiting for a group of moderate owners to force a change in management's position, that was not going to happen, several owners who fit that description made that clear.

"I don't think there's any chance for success, assuming that one or more of the more moderate owners are of a mind that that should be done," Peter Angelos of the Baltimore Orioles said in a telephone interview.

"There's unity among all the owners to the effect that something has to be done. The position of the union that the status quo should remain can't be fulfilled under these circumstances."

Jerry McMorris of the Colorado Rockies said, "no one has approached him with a different idea."

"There's been no group meetings or discussions that I'm aware of," he said by telephone from Denver.

The Rockies stand to suffer large losses during a strike because they lead the major leagues in attendance. The Orioles' remaining home games are sold out, and Angelos said the club would lose \$10 million to \$15 million if the players strike and stay out the rest of the season.

The Orioles and the Rockies are two of the nine teams that have projected profits for this year. The others are the Yankees, Atlanta, Boston, Cleveland, Florida, Texas and Toronto.

Peter Magowan of the San Francisco Giants, like Angelos and McMorris one of the newer owners in the major leagues, also said he has heard of no movement to alter the owners' proposal.

"I do believe the owners and Dick Ravitch himself are willing to listen to any proposals," Magowan said from his home in California. "Everything isn't cut in stone. We believe the offer the owners made is a reasonable offer."

Owners, for the most part, have remained silent during the plodding negotiations for a new collective bargaining agreement. Lurking in the back of the minds of some people has been the idea that owners whose clubs make money or those who simply don't want to see the game shut down would mount an effort to alter the owners' proposal enough to get an agreement with the players.

Approval of a new labor contract before a strike would require a simple majority of owners; afterward, it would take three-fourths, or 21 of the 28 clubs.

The silence of the moderates doesn't necessarily mean they all agree with the management position, said another moderate owner, who declined to be identified. It does mean, however, that they know they don't have enough strength to prevail, he said.

(WP, NYT)

## SIDELINES

### Caniggia Leaving Roma for Benfica

**ROME** (Reuters) — Argentine attacker Claudio Caniggia, who recently returned to soccer after a 13-month drug ban, is set to join Portugal's Benfica from AS Roma, Italy's ANSA news agency reported on Sunday.

• Bebeto, who scored three goals in the World Cup, has followed Brazilian teammate Romario's lead and told his club, Deportivo Coruna, that he is taking an extended holiday won't be back in time to start the new Spanish season.

• Romania defender Dan Petrescu, who played last season with Genoa, signed a four-year contract with Sheffield Wednesday.

### Indiana Youth Wins Big Indy Race

**INDIANAPOLIS (LAT)** — Jeff Gordon, who turned 23 just two days earlier and grew up in Indiana, fought off Rusty Wallace and Ernie Irvan in one of the most exciting finishes in the Indianapolis Motor Speedway's storied history to win the Brickyard 400 as NASCAR brought its stock car show to the home of the Indianapolis 500 for the first time Saturday.

With a sellout crowd of nearly 300,000 on its feet through the final 28 laps of the inaugural Winston Cup race, Gordon earned a NASCAR record \$613,000, more than double the previous high of \$294,430 won by Kyle Petty in 1990 at Rockingham, North Carolina.

### For the Record

Quarterback Heath Shuler, their top draft pick, has signed an eight-year, \$19-million contract with the Washington Redskins, the largest in team history.

(AP) The Dallas Mavericks said they have made forward Roy Tarpley an offer to return to the team if he wins reinstatement to the NBA. Tarpley has played the past two seasons for Olympiakos of the Greek first division.

Dozens of environmentalists gathered at the Monza race track on Sunday to protest plans to fell some 100 trees in order to make the circuit safe enough to host the Italian Formula One Grand Prix.

Hiroshi Kawashima of Japan retained his WBC junior bantamweight title in Tokyo with a unanimous decision over Carlos Salazar of Argentina.

(AP)

## A Wise, but Wishful, Idea for Ending Baseball's Impasse

By Murray Chass

New York Times Service

**NEW YORK** — Peter Angelos thinks big. That's not surprising for a man who, with his partners, paid a big price — \$173 million — for the Baltimore Orioles.

Peter Angelos wants to Camdenize the major leagues. "Let's build a Camden Yards facility in every major league locale," he said, referring to the Orioles' wonderfully successful home.

To achieve his plan, he wants major league baseball to join forces with local governmental entities to build the parks. But that's a long-range project that has to wait its turn.

Before getting to ballparks, Angelos has another plan that he wants major league baseball to undertake, this one in conjunction with the players. This one, he said, would eradicate once and for all the ongoing war between the game's management and labor teams.

"I don't think salary caps and revenue sharing are the ultimate, final, permanent solution to the problems of baseball," Angelos said in a weekend telephone interview.

And no matter how many side issues are disposed of, a settlement seems unlikely in time to avoid a strike, which is scheduled to begin after Thursday's games.

Five months after the owners and players first sat across from one another, the argument remains just about where it started: The owners say they need a ceiling on payrolls — a salary cap — to provide some cost certainty. The players say they won't accept one because it would mean restrictions on free agency and, ultimately, lower salaries.

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(WP, NYT)

**McNulty Defeats Ballesteros by 1 In Munich Golf**

The Associated Press

**MUNICH** — Mark McNulty shot a course record 7-under par 65 Sunday to win the BMW International Open by a stroke over Seve Ballesteros.

Both men started the round five strokes back but vaulted into the lead by going six under over the front nine. McNulty eagled the par-5, 494-yard (454-meter) first hole.

A birdie on the 17th hole held off Ballesteros, who finished at 275 after shooting a 66 with six birdies.

England's Mark Roe finished third, two back after a 69, while third-round leader Darren Clarke of Northern Ireland was at 277 after a round of 73.

• Corey Pavin, having shot 7-under-par 65, took a four-shot lead over first-round leader Fred Funk in to Sunday's round at the rain-delayed Buick Open in Grand Blanc, Michigan.

Paul Azinger, making his first start since being diagnosed with cancer last November, carded respectable 70 for a total of 4-146 but missed the cut.

He will defend his U.S. PGA Championship title starting Thursday.

Funk shot 70 for 135. Davis Love III was at 136, tied with Duffy Waldorf, Nick Faldo, Fred Couples, Tom Kite and Steve Pate were at 137.

• Hiroshi Kawashima of Japan retained his WBC junior bantamweight title in Tokyo with a unanimous decision over Carlos Salazar of Argentina.

(AP)

**For the Record**

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(AP)

His idea is worth hearing and considering, especially with the two sides marching suddenly toward a strike after Thursday night's game. Perhaps the idea stemmed from a comment by Mike Mussina, an economics major at Stanford University before he became a pitcher for the Orioles.

"The owners are making tons of money," Angelos quoted Mussina as saying. "I say to our side, the \$173 million man said, "if this young man, with his academic background and high level of

both sides would participate, Angelos said, and major accounting firms could be hired to lend their expertise.

"Let this become a sensible, quiet, intellectual inquiry," he said. "The only way to push aside doubts is to prove it with a process that if it is proved is finished business, and we can move on to the next stage — how to establish the financial viability of baseball."

"It seems to me," he continued, "the first obligation the owners have is to prove, without any fear of refutation, that there is a \$100 million shortfall in 1994 and there will be plus in '95. Based on what I've been shown in owners' meetings, I'm convinced there's a shortfall, a crisis, and I support the owners' position 100 percent.

"But let the chips fall where they may. If that turns out not to be the case, I'd have to reassess my position and others would, too. If it's established that losses and claims of losses are artificial, obviously there would be owners who wouldn't support the position who

by the owners. Then we'd have to take another road."

At least, Angelos added, the owners and the players would be done with the part of the dispute in which one side makes claims and the other dismisses them as being untrue.

The last negotiations, in 1990, produced an economic study committee that was to spend forever scrutinizing baseball's economic health.

"Another study committee isn't going to do anything but update those statistics," said Richard Ravitch, the owners' chief labor executive. "They'll find what

Not if the panel looked deeply enough, union officials believe. They say that the owners' books don't tell enough about the game's financial state. Fine. Let them tell the panel members where to look and what to look for to get at the truth if the truth isn't what the owners are expressing.

The idea is to get to the core of the dispute and resolve it.

Angelos recognizes that his idea would be insufficient to deter the players

from walking out Friday. Ravitch said the suggestion is "a disguised way of saying once again defer dealing with the cost issue in baseball." The owners, he added, "have said unequivocally we will not defer for the issue any longer."

Is a season-ending strike better? Would the owners rather have the playoffs and World Series wiped out? Would they want to take a chance that they won't start next season on time or even play? If the Angelos idea could settle the issue, as it thinks it could, the owners would benefit in the long run from agreeing not to implement their salary cap in the off-season so that the players wouldn't strike now.

Angelos's commission certainly could finish its work before the end of next season. If the owners are concerned about the economic stability of the poorer clubs, they could take the money the richer clubs would have lost during a strike — Angelos says the Orioles alone will lose \$10 million to \$15 million — and give it to their poorer brethren for 1995 in the name of revenue sharing.

## 2 Days, 2 Doubleheaders, Indians Lose Both Openers

The Associated Press

**INDIANAPOLIS** — Joe Hesketh allowed three hits in eight innings and Carlos Rodriguez went 5-for-5 and had three of Boston's six doubles Sunday as the Red Sox defeated the Cleveland Indians 4-1, in the first game of a doubleheader in Boston.

The teams were playing their second straight doubleheader after Friday night's series opener was rained out. They split on Saturday.

Hesketh, who has won six of his career victories against the Indians, allowed Cleveland's only run in the second on a double by Manny Ramirez and two passed balls by Rich Rowland.

Hesketh struck out seven and walked four. The only hits he allowed were Ramirez's double, a single by Kenny Lofton in the fifth and a double by Carlos Baerga in the sixth.

The Red Sox scored three runs in the fourth off Chad Ogea, who was making his first major league start.

Tigers 8, Blue Jays 7: Kirk Gibson hit a tiebreaking, two-run double in the eighth to lift Detroit over Toronto, playing at the third off Chris Nabholz.

Cleveland's top run producer, Albert Belle, served the fifth and sixth games of his six-day, seven-game suspension Saturday for having a corked bat. The Indians are 4-2 while Belle has been out.

Gibson connected on a 3-0 pitch for his 23rd home run. Tooy Castillo retired the first two batters in the eighth before walking Cecil Fielder, and Gibson

son followed with a drive to right field.

Tony Phillips led off the game with a home run and later hit his career-high 18th, and Fielder hit

### AL ROUNDUP

his 27th home run. Paul Molitor and John Olerud hit home runs for Toronto.

In games played Saturday:

Indians 7, Red Sox 6

## Eclectic Publisher Of 'Books in Boxes'

By Cynthia Rose

London — From Nancy Cunard's Hours Press to Bloomsbury's Hogarth Press, small publishing firms with notable pedigrees are a British tradition. Even now, during a prolonged economic downturn, Britain has more than 75 private presses. Eclecticism is evident in the mere names of these imprints: Gregynog, Rampant Lion, Libanus and Chimæra.

### Tastemakers

An occasional series  
about people for whom  
style is a way of life

ra. None, however, enjoys such prominence as The Redstone Press, a one-man operation that publishes "books in boxes."

Redstone, which started up six years ago, has a startling roster of projects. It has published paintings by Mexico's Frida Kahlo, poems by Russia's Mayakovsky, games by the French Surrealists. It has collected temple paintings made for the Indian goddess Kali (in the Kalighat box), as well as woodcuts by the Japanese master Shikō Munakata. In addition to 16 boxes, it has also published five Redstone Diaries, calendars that have featured both Russian Futurism and Aztec codices.

Every Redstone box hides piquant, offbeat artifacts. Mexico's Day of the Dead includes a tin skeleton brandishing a scythe. Surrealist Games contains a twisted version of the children's classic *Jeu de l'Oie*, plus a set of removable tattoos. The Paradox Box comes crammed with optical illusions and "puzzling pictures."

Such treats mirror the taste of Redstone's founder and proprietor, the 45-year-old Londoner Julian Rothenstein. Rothenstein began his press in 1986, when he found a set of unknown wood engravings by Franz Masereel. Once he decided these works deserved a special format, Rothenstein scoured the Yellow Pages for a box-maker. After clearing reproduction rights with a Zurich bookshop, he loaded and labeled his boxes and carted them around London's bookstores.

To his complete delight, the labor of love sold and sold. Maybe it was no surprise; Rothenstein has ink in his blood. He is the eldest child of the late printmaker Michael Rothenstein, who was the son of Sir William Rothenstein and the brother of Sir John. The portrait painter William ran the Royal College of Art, and served as Britain's official war artist for both world wars. Sir John was keeper and director of the Tate Gallery through 1964.

"My father's studio," he says, "was very romantic to me. I loved helping him; even the ink smelled special." During school, Julian had a printing press of his own. But when he started work he became a designer for hire. In 1975 Rothenstein, by then art director on the paper *Bananas*, was asked to speak at the Royal College of Art. In the crowd that flocked to hear him was a lively Chinese student born in Penang, Malaysia. Rothenstein liked her paintings almost as much as her personality. Shyly, he remembers asking Hwang Kee for a light for his cigarette. Nineteen years and two children later, their unusual union gives Redstone much of its style.

Kee smiles at the memory of their meeting. "My British colleagues saw Julian as tremendously racy! But to me, he seemed public school and puritanical. I come from a background of great material decadence; I had always lived around beautiful pots, flowers, calligraphy." Kee's life had firm roots that stretched back to China. "In the East, no one ever mentions such a thing as 'talent.' There is just a way of living; what one talks about is survival."

Hwang brought new aesthetics into Julian's life: viewpoints and objects that fascinated him. The bone they made together in London vibrates with this cultural merger; yet it is filled with primary colors and witty, exotic ephemera. Here one will go to supper — or to celebrate Chinese New Year — and meet novelists, artists, even a visiting Mexican wrestler.

Eighteen months ago, Redstone gained a heavyweight U.S. partner, Shambala Publications. Before they got together, Rothenstein's biggest seller was Frida Kahlo, whose work comes crammed with optical illusions and "puzzling pictures."

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Julian Rothenstein, Redstone's founder, at his library in London.

## WEATHER

### Europe

Forecast for Tuesday through Thursday, as provided by Accu-Weather.



### North America

Hail weather will cover the interior Western states Tuesday through Thursday. Sea breezes will keep coastal areas cool, but inland areas will be hot. Frontal showers and thunderstorms will drench the Southeast. Eastern Central will be cooler than usual for August.

### Middle East

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Oceania

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### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

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### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

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### Oceania

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### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Middle East

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Oceania

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Middle East

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Oceania

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Middle East

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Oceania

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Middle East

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

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### Oceania

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Middle East

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### Latin America

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### Oceania

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Asia

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Africa

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### North America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Middle East

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Latin America

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Oceania

Today: High 86° Low 73° Tomorrow: High 86° Low 73°

### Asia

Today: High